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Aid Workers And Clergy Executed In Rwanda

Thousands Feared Dead As Ethnic Clashes Push Country Into Civil War

By Keith B. Richburg

Washington Post Service

NAIROBI — Rwanda appeared Friday to be sliding into full-scale civil war and anarchy, with troops from the elite Presidential Guard battling guerrillas in the streets of the capital, Kigali, and other armed units engaged in an orgy of assassination that targeted government officials, Catholic clergy, and Rwandan employees of foreign aid agencies.

Chaos has continued unabated in Kigali since early Thursday after the country's president, Juvenal Habyarimana, was killed along with the Burundian president, Cyprien Ntaryamira, in a plane crash believed to have been caused by one or more rockets.

Since agreeing to form a transitional government with rebels trying to oust him, Mr. Habyarimana had no legal successor, and attempts by the defense minister and senior army officers to take control through a "crisis committee" apparently collapsed Friday.

[Troops have killed the acting prime minister, about 20 priests and nuns and dozens of aid workers. The Associated Press reported, citing reports from diplomats, UN officials and humanitarian groups in Kigali. Soldiers tortured and killed 10 and possibly 11 UN peacekeepers, the reports said.]

[Acting Prime Minister Agathe Uwilingiyimana was dragged from a UN compound and killed by presidential guards in front of UN volunteers on Thursday, UN sources said. Ten Belgian peacekeepers who were guarding Mrs. Uwilingiyimana were slain, according to the Belgian Defense Ministry in Brussels.]

[Rwandan soldiers also killed eight Roman Catholic priests and 11 nuns, all of them African, said José M. de Vera, a spokesman at Jesuit headquarters in Rome. Three Belgian Jesuits were spared, he said. A Papal Nuncio source reached by telephone from Paris, said 22 clergy, all Rwandans, had been killed since the fighting began.]

Georges Dallmeigne, the Belgian director of the aid group Doctors Without Borders, was See RWANDA, Page 8



Deputy Prime Minister Tsutomu Hata, besieged by reporters in Tokyo on Friday, is considered a front-runner for prime minister.

Japan's Coalition Strains to Form A New Cabinet

Clinton Loses Key Agent for Trade Change

By Thomas L. Friedman

New York Times Service

WASHINGTON — The resignation of Prime Minister Morihiro Hosokawa of Japan has deprived the Clinton administration of the key agent of change it was counting on to open Japan's closed markets, and left the White House wondering how it is going to achieve its trade objectives with Tokyo anytime soon.

Mr. Hosokawa was widely viewed by American officials as the Japanese leader most willing

Resignation Of Hosokawa Sparks Fears

By David E. Sanger

New York Times Service

TOKYO — As Japan's fractious governing coalition struggled Friday to form a new government after the surprise resignation of Prime Minister Morihiro Hosokawa, both Japanese and U.S. officials said they feared this was the beginning of a long period of political instability that could slow, and possibly derail, the reform effort Mr. Hosokawa symbolized.

Throughout the country, there was a palpable sense of disappointment that Mr. Hosokawa, a 56-year-old outsider who took office amid so much promise eight months ago, had fallen prey to precisely the same kind of financial scandals he denounced.

But there seemed less anger at Mr. Hosokawa than fear that his program — to restore power to consumers and urban voters and deregulate a country choking on bureaucracy — would be subsumed in the power struggle now under way for control of the government.

"I sincerely apologize to the people of Japan," Mr. Hosokawa said Friday. "Many reforms are still under way and have not been completed, and my role will now be different. But I will continuously work toward the fruition of the goals we set."

Still, the man who came to office as Japan's cleanest politician left many questions unanswered about his own financial connections to a trucking company, Tokyo Sagawa Kyubin, that spent much of the 1980s buying influence from the country's leading politicians. It has also been linked indirectly to the Japanese mob.

Mr. Hosokawa took a "loan" of nearly \$1 million from the company in 1982. Though he insisted that he paid back the principal, on Friday he conceded for the first time that there had been numerous irregularities in the transaction, and that the interest he was supposed to pay instead had been "used for my political activities."

He said that he had decided to resign after receiving other specifics about how his office had let "an old personal friend of mine," whom he did not name, profit from the management of other political funds when he served as governor of Kumamoto prefecture, in southwestern Japan.

While leaders of the coalition insisted that Mr. Hosokawa had begun an unstoppable tide toward economic and political reform, and that it would continue no matter who is elected, they conceded that their first mission now was political survival. There were some predictions that the coalition could splinter apart in the battle to find a successor to Mr. Hosokawa, further crippling the government's effectiveness or bringing the Liberal Democrats back to power.

"It has all happened so fast I haven't had time to think it all through," said the foreign minister and deputy prime minister, Tsutomu Hata.

Considered a front-runner as Mr. Hosokawa's successor, Mr. Hata said that "the most important thing now is to resume our tasks and maintain harmony."

Disappointment was evident in remarks by Walter F. Mondale, the U.S. ambassador here, who came to Tokyo last year hoping he could See JAPAN, Page 5

Trade Turns Latin America's Foes Into Friends

By James Brooke

New York Times Service

RIO DE JANEIRO — On Rio's bay, two Brazilian cannon have been waiting for Argentine warships for decades, monuments to the long enmity between South America's two regional powers. But today the guns are frozen with rust, visited by tourists, many of them Argentines.

Ten years ago, Argentina and Brazil were run by military dictators, who inflated defense budgets and sharpened nationalist tensions. Now, with both nations under civilian rule, they have discovered that former enemies can make good trading partners.

The new friendship and economic interplay between the two neighbors are part of a quiet revolution taking hold across a continent long dominated by militarists and protectionists.

Military barriers are coming down, and new webs of free-trade pacts, of highways and waterways and of oil and gas pipelines are rapidly binding South America together as never before. Generals are taking a back seat to free traders.

"The countries of South America have become so interdependent that it lessens the possibility of an outbreak — Brazil against Argentina, or Chile against Argentina," said Jerry Haar, a senior research associate at the North-South Center at the University of Miami.

Today, when Argentine tourists invade Brazilian beach resorts with Southern Cone bank machine cards, it is hard to remember that only a few years ago Brazilian engineers designed international road bridges so they would collapse under the weight of an Argentine tank.

In Argentina, as memories fade of 1977 blackout drills against threatened Chilean air raids, engineers push a railroad tunnel, a gas pipeline, and an oil pipeline through the Andes. Inaugurated in February, the oil pipeline now supplies half of Chile's petroleum needs.

Reworking foreign policies traditionally oriented toward the See LATIN, Page 8

Leaders in South Africa Resolve to Continue Talks

Compiled by Our Staff From Dispatches

SKUKUZA, South Africa — South Africa's peace summit meeting ended late Friday with no indication that Zulu leaders would halt their boycott of the country's first all-race elections this month.

A vague joint statement issued at the end of nearly seven hours of talks among key political leaders did not mention the elections scheduled for April 26 to 28, but said negotiations would continue.

The meeting was attended by President Frederik W. de Klerk; Nelson Mandela, the leader of the African National Congress; Chief Mangosuthu Buthelezi, head of the Zulu-based Inkatha Freedom Party; and Goodwill Zwelithini, the Zulu king. It was held in an effort to halt violence threatening fair elections.

President de Klerk admitted at a news conference that the statement was vague, but said the discussions were incomplete.

The statement said the participants agreed on international mediation to seek a constitutional settlement and political reconciliation. Mr. de Klerk said there had been "progress in some respects" on the status of the Zulu monarchy.

The African National Congress offered earlier Friday to recognize King Zwelithini as monarch with constitutional powers in the Kwa-Zulu black homeland and the surrounding province of Natal.

The offer was made by Mr. Mandela at a four-hour session with the king before the summit meeting. The ANC proposal, spelled out in a statement, said that "His Majesty the King shall be recognized as a King with constitutional powers, prerogatives, rights and obligations which shall extend throughout the province of Kwa-Zulu-Natal."

The offer said the king's powers would be specified in the constitution of KwaZulu-Natal, which is due to be assimilated into South Africa as one of nine new provinces after the country's elections later this month.

The king, according to the ANC proposal, would also be crowned "in such a manner as may be agreed with him, which may include coronation by the chief justice of the country."

There was no response from King Zwelithini. But the monarch set a hard-line tone in his meeting with Mr. Mandela and, in a statement sent to the media, vowed not to back down from his demand for Zulu sovereignty in Kwa-Zulu-Natal.

He also branded the state of emergency imposed by Mr. de Klerk on KwaZulu-Natal on March 31 as an "invasion" and an act of "foreign aggression."

King Zwelithini demanded that Mr. Mandela distance himself from the killing of nine Zulu royalists by ANC security guards outside ANC headquarters at Shell House during a March 28 demonstration in Johannesburg that claimed 53 lives.

The killings led Mr. de Klerk to proclaim a state of emergency on March 31 in KwaZulu-Natal in an effort to stem rising violence in the stronghold of the Inkatha Freedom Party. See TALKS, Page 8



NEWFOUND GLORY — Detail of Michelangelo's Judgment Day fresco "Christ the Judge, and the Virgin" at the Vatican's Sistine Chapel. Pope John Paul II celebrated Mass there Friday to mark the end of 14 years of restoration of the work.

Greenback Readies a War Against Terrorists' Fakes

By Bill McAllister

Washington Post Service

WASHINGTON — Terrorists may be on the verge of claiming a new victim: the U.S. greenback. Officials at the Bureau of Engraving and Printing say that the agency is working on new designs for U.S. currency amid reports that terrorist organizations may be flooding the world with counterfeit \$100 bills.

The bogus-money problem has become so severe that many overseas banks are refusing to accept \$100 bills. A leading terrorist expert said that the counterfeit dollars, being produced in the Middle East by terrorist groups linked to Iran and Syria, could cause serious economic problems, especially for small countries that rely on the U.S. dollar.

While confirming work on a new design, Bureau of Engraving officials have been reluctant to discuss what changes they will recommend that Treasury Secretary Lloyd Bentsen implement or to link the change to the increase of overseas counterfeiting.

Among the ideas said to be under consideration: moving portraits to the side, implanting small holograms on the bills, printing on watermarked paper, using multicolored patterns that are difficult for copiers to reproduce and printing with multicolored inks — all steps other countries have adopted.

One of the most dramatic proposals has come from Robert Kupperman, who studies terrorism. He has called for a two-tiered money system — new greenbacks for domestic use and new "redbacks" or dollars printed in red, for overseas use.

The Treasury Department has been reluctant to make major changes in the dollar, leaving the United States with what a Secret Service spokeswoman described as "the most stable currency in the world and the most easy to counterfeit."

Two years ago, the Bureau of Engraving introduced two major changes to high-valued currency: extremely small printing called "microprinting" and a polyester thread that also contains tiny printing. Coin World, the numismatic publication that this week disclosed the redesign effort, said that those moves had failed to thwart the counterfeiters and that youngsters had shown the newspaper how they could easily pull the polyester thread from the new currency.

Figures provided by the Secret Service and interviews with See \$100, Page 8

U.S. and the EU Near Accord On Public Bids

By Alan Friedman

International Herald Tribune

PARIS — The United States and the European Union are expected to reach a groundbreaking agreement next week that could open up competition for more than \$200 billion in annual public procurement contracts on both sides of the Atlantic, U.S. officials said Friday.

Negotiators in the long-running and politically sensitive talks said after meetings in Brussels on Friday that they were increasingly hopeful of reaching an accord. They were planning to continue the talks on Saturday about easing European restrictions on American companies that want to bid for contracts from major state utilities such as telecommunications operators.

The United States is also seeking the elimination of a European rule that requires bids with more than 50 percent European content to be given priority.

In exchange, the Clinton administration is offering pledges it has worked out with 36 states to drop rules that keep non-American companies from bidding on contracts, the officials said. The EU also wants Washington to ease or eliminate "Buy American" rules, especially in connection with federally funded programs involving rural electrification, the environment, urban mass transport, and airport and highway improvement.

EU and U.S. officials said Friday that while portions of the final text of the government procurement accord were being drafted this weekend, it would be up to Sir Leon Brittan, the EU trade commissioner, and Mickey Kantor, the U.S. trade representative, to wrap up final negotiations when they met next week.

The two will be in Morocco for ceremonies to mark the signing of the Uruguay Round treaty, which was reached under the auspices of the See GATT, Page 8

Kiosk Sri Lanka Bombs Kill 2 at Hotels

COLOMBO (Reuters) — Two people were killed and at least 14 wounded when bombs targeted at Sri Lankan luxury hotels exploded Friday, the police said. The first blast occurred at a beach near the Mount Lavinia hotel outside Colombo, killing two people. "We believe the men, both Tamils, who may have been carrying the bomb, exploded it prematurely and it was intended for a hotel," a police officer said. Later, explosions occurred at three hotels in the city, including the Marriott. At least 14 people were wounded in the blasts. The police said they suspected Tamil rebels were responsible.

Art In Milan, rescuing Gothic architecture from oblivion. Page 7.

Money Report Fund Management Styles — Does the fund manager matter? Index vs. actively managed funds. Pages 15, 17.

Crossword Book Review Weather. Page 6. Page 20.

Dow Jones	Trib Index
Down 19.00	Up 0.04%
3,574.28	110.42

The Dollar	Fr. close	previous close
DM	1.7125	1.717
Pound	1.4768	1.473
Yen	105.255	104.90
FF	5.8555	5.877

Newsstand Prices	
Andorra 9.00 FF	Luxembourg 60 L. Fr
Antilles 11.20 FF	Morocco 12 Dh
Cameroon 1.40 CFA	Qatar 8.00 Rials
Egypt E.P. 5000	Reunion 11.20 FF
France 9.00 FF	Saudi Arabia 9.00 R.
Gabon 960 CFA	Senegal 200 PTAS
Greece 300 Dr.	Tunisia 1,000 Din
Ivory Coast 1,120 CFA	Turkey T.L. 15,000
Jordan 1 JD	U.A.E. 8.50 Dirh
Lebanon US\$ 1.50	U.S. (Eur.) \$1.10

Russia Seeks to Tie NATO Partnership To Joining the G-7

Compiled by Our Staff From Dispatches
MOSCOW — The Kremlin said Friday that Russia's "romantic embrace" with the West was over and proposed a link between joining NATO's Partnership for Peace plan and the acceptance of Moscow as a full member of the Group of Seven economic club.

"If they invite us to be partners in the political and military spheres on equal terms with the leading countries of the world, it would be logical to foresee that the same approach apply to economics," said Mr. Yeltsin's press secretary, Vyacheslav Kostikov.

"You know that Russia would like to join the Group of Seven," Mr. Kostikov added. "Maybe it would be an interesting approach if we tie these two problems to each other."

The remarks were seen as likely to fan Western doubts over the consistency and direction of Russian foreign policy.

"I would not say we are talking about a cooling of relations," Mr. Kostikov said at the Kremlin briefing. "I think what has happened is that Russia, Europe and America have passed the stage of romanticism in post-totalitarian diplomacy when both sides embraced each other so tightly that national security interests were left aside."

"Russia increasingly sees itself as a great power which has its own strategic, military and political interests, different from those of the United States and Europe," he added.

"It has started saying this loudly," Mr. Kostikov said. "I think it is

good, it is right because it will save us from disappointments or even mistakes in the future."

Last week, the spokesman said it could take six months or more for Russia to work out conditions for joining the North Atlantic Treaty Organization program, which provides for joint military exercises and peacekeeping operations by the 16-nation alliance and former East bloc countries.

That contradicted a statement by Foreign Minister Andrei V. Kozirev that Russia would sign a framework agreement on the Partnership this month.

(Reuters, AP)

Yeltsin to See Doctors

President Yeltsin, recently the subject of rumors about his health, will see doctors in Barcelona during an official trip to Spain next week, Mr. Kostikov said Friday.

Mr. Kostikov declined to say if the visit to a hospital where Mr. Yeltsin was operated on for a hernia in 1990 was for medical reasons. The trip to Spain is to run April 11-13.

"A meeting with the doctors is part of the president's agenda," he said. "But I cannot tell you whether this meeting will take the form of a consultation or whether it will be a thank-you gesture from the president to the doctors."

Mr. Yeltsin will meet King Juan Carlos I and Queen Sophia, Prime Minister Felipe Gonzalez and the heads of the chambers of parliament. He is to wrap up his visit in Barcelona.



The UN commander in Bosnia, Sir Michael Rose, shielding his face from airplane exhaust Friday while waiting for the jet carrying the U.S. envoy, Charles E. Redman, to complete its landing in Sarajevo. He denied his command played down reports of Gorazde shelling.

Serbs Ignore Truce Accord on Gorazde

Compiled by Our Staff From Dispatches
SARAJEVO, Bosnia-Herzegovina — Serbian forces intensified their shelling of Gorazde on Friday, ignoring a 24-hour truce accord with Muslim forces, a United Nations military spokesman said.

He said the cease-fire that was to cover 1,000 kilometers (650 miles) of Serbian-Muslim front lines throughout Bosnia was "never really respected" by either side, and that they did not renew it when it expired at 7 P.M.

"The level of shelling in Gorazde was more intense" than on Thursday, Commander Eric Chaperon of the UN Protection Force said. He said an artillery blast slightly injured one

eight armed liaison officers sent by the UN force commander, Sir Michael Rose, on Thursday to provide more accurate reports of fighting in the enclave.

Another UN force spokesman, Major Rob Annink, said Lieutenant General Rose had again put off Serbian-Muslim discussion for a permanent truce, until at least Saturday. It had been set for Thursday.

Earlier, a defiant Serbian general pledged to take more ground near Gorazde. "Soon we shall occupy the entire region of Gorazde and thus gain control over both banks of the Drina," General Vlado Spremo, commander of the Bosnian Serbian corps that has been besieging

the enclave, said in an interview Friday on Montenegrin radio.

Gorazde, with 65,000 people, is one of three remaining government-held enclaves, along with Zepa and Srebrenica, that have been declared UN "safe areas" in eastern Bosnia.

As concern about the Serbian assault mounted, Washington urged the swift dispatch of UN peacekeeping troops to the area and the provision of North Atlantic Treaty Organization air cover for them if necessary.

The Bosnian Serbian military also reported heavy fighting overnight near Vitkovici on the southern bank of the Drina, Tanjug press agency said.

(Reuters, AP)

Clinton Adviser Rejects Pentagon Stand on Bosnia

By Elaine Sciolino
New York Times Service

WASHINGTON — Seeking to restore credibility to American diplomacy in the Balkans, the White House has essentially repudiated remarks by two senior military officials that the United States was not prepared to use military power now to prevent the Bosnian town of Gorazde from being overrun by Serbian nationalists.

The national security adviser, W. Anthony Lake, said in a speech at Johns Hopkins University in Baltimore that the Clinton administration was still open to using air strikes to protect the town in eastern Bosnia, where Serbian forces have intensified a siege.

There is no evidence that the administration is considering a new initiative that would involve the use of force to save Gorazde, Mr. Lake's remarks Thursday were primarily intended as a strategy to keep the Serbs on edge, senior White House and State Department officials said.

The predominantly Muslim town was designated last year by the United Nations Security Council as one of six "safe areas" that could be protected by "all necessary means, including the use of force," a mandate that never was fulfilled. About 65,000 people, two-thirds of them refugees from conquered towns, are trapped there.

Earlier this week, the Security Council issued a mildly worded protest of the Serbian offensive on Gorazde. It said it took "serious note of the continuing defiance of the

relevant Security Council resolutions" but avoided any direct threat of military action.

"We must make clear to Serbia and to the Serbs of Bosnia that the costs of continued intransigence are high," Mr. Lake said. In a veiled reference to remarks this week by Defense Secretary William J. Perry and General John M. Shalikashvili, the chairman of the Joint Chiefs of Staff, that suggested otherwise, Mr. Lake added: "Let me be clear. Neither the president nor any of his senior advisers rules out the use of air power to help stop attacks such as those against Gorazde."

As the administration examines "other ways" to build on some progress in Sarajevo, where a NATO threat of air strikes in February led Serbian forces to pull back their heavy weapons, Mr. Lake said: "We must recall the central principle of our action there, that effective diplomacy is linked to practical calculations of power."

A senior White House official, speaking on the condition of anonymity, said: "There has been a lot of speculation about the Sarajevo model. But we need to know a lot more about the situation in Gorazde."

Because Mr. Clinton has consistently refused to send American peacekeepers to Bosnia in the absence of a durable settlement among the Serbs, Muslims, and Croats, the United States is in no position to dictate the mission of the UN troops who are deployed there.

The United States has offered to airlift about 800

Ukrainian and perhaps other UN peacekeepers to Gorazde later this month.

Existing Security Council resolutions authorize air strikes to protect peacekeepers against attack, and an infusion of peacekeeping soldiers into Gorazde, if they were attacked, would give the United States and its North Atlantic Treaty Organization allies clear grounds to launch punitive strikes.

But some senior administration officials, including Secretary of State Warren M. Christopher, believe that the diplomatic basis for considering military action already exists under a NATO resolution adopted last August that threatened the use of air strikes to end the "strangulation" of Sarajevo.

To prove that the debate within the administration was over, a senior White House official said that both Mr. Perry and General Shalikashvili had reviewed Mr. Lake's speech and "enthusiastically supported" it.

When asked during a television interview on Sunday whether Washington was willing to allow Gorazde to fall to the Serbs, Mr. Perry said: "We will not enter the war to stop that from happening. That is correct. Yes."

The following day, Mr. Shalikashvili said at a Pentagon news conference: "Right now, it is our judgment that conditions in Gorazde do not lend themselves to the use of air power."

Russia's Germ Warfare Program Is Alive, U.S. Says

By R. Jeffrey Smith
Washington Post Service

WASHINGTON — The Clinton administration is convinced that Russian scientists have not entirely ended work on biological arms, despite repeated assurances by President Boris N. Yeltsin that the program had been stopped, U.S. officials have disclosed.

The U.S. contention is based partly on recent American and British inspections of major biological research centers in Russia.

An official said the inspections had shown that a "substantial infrastructure" for biological work "with no commercial purpose" remained largely intact, as did its links to the Russian military.

U.S. concerns also are based on a detailed account of secret Russian research on germ weapons that was obtained from a senior scientist in the program who defected to the

United States in 1993, the officials said. The defector helped Washington confirm details of the germ weapon research program provided to Britain in 1990 by another Russian defector.

A recent draft intelligence report prepared for President Bill Clinton stated that Mr. Yeltsin had made some progress in curtailing the illicit effort since the Bush administration complained about it in a January 1993 report to Congress. But it added that more progress was needed, the officials said.

Development, production and possession of toxin and biological agents for offensive military purposes are barred by an international treaty that was negotiated in 1972 and ratified by both Moscow and Washington.

After U.S. protests, Mr. Yeltsin and other senior Russian officials acknowledged two years ago that the Russian military had con-

ducted illicit research on germ weapons at least through 1990. They said the military also had developed prototype bombs and rocket warheads to carry the diseases in concentrated form.

When Mr. Clinton raised concerns about the program during his meeting with Mr. Yeltsin in Moscow last January, senior Russian officials offered general reassurances that the program was benign and said U.S. concerns would be assuaged by additional U.S. visits to key Russian installations.

Since then, intelligence officials have uncovered additional information that provoked "renewed concern at very high levels" in the United States and Britain, according to a knowledgeable source.

An official said, "We have evidence that leads us to understand that there is still an

offensive biological weapons program underway."

"We are very concerned that large aspects of the program are continuing," he added.

To assist Mr. Yeltsin in carrying out his commitment to eliminate Russia's capability to make germ weapons, the Pentagon wants to spend tens of millions of dollars to modify or eliminate related Russian factories and testing chambers.

Assistant Defense Secretary Ashton Carter said this week that if Russian officials agreed, money appropriated by Congress under the "Nunn-Lugar" package of Russian aid could be used to "destroy facilities built specifically for a biological warfare program." The package was named after its Senate sponsors, Sen. Nunn, Democrat of Georgia, and Richard G. Lugar, Republican of Indiana.

Foes of German Far Right Have Heard Enough \$100: New Greenbacks?

Reuters
BONN — German politicians and editorial writers vented mounting frustration Friday at the radical

right's growing success in spreading anti-Semitic views, despite laws against inciting race hatred.

They demanded bans on far-right parties and more controls on public speech after prosecutors in Landshut declined Thursday to take action against Franz Schönhuber, head of the nationalist Republican party, for saying two Jewish leaders caused anti-Semitism. The prosecutor decided the outburst could not be considered an attack on all Jews in Germany.

The Frankfurt Rundschau suggested a nationwide news blackout on the far right to stop it from hogging the headlines.

"It is intolerable that parties like the Republicans who propagate verbal violence that leads to physical violence should be allowed," said Michel Friedman, one of the two Jewish leaders targeted by Mr. Schönhuber.

"What Schönhuber said was malicious and obscene," said Herta and Paul Amirson of the opposition Social Democrats.

The daily Bild wrote: "If we continue with this lax approach to a small band of radical anti-democrats of all colors, we will ruin Germany's reputation around the world."

Mr. Schönhuber, whose critics see his attacks as a ploy to rally voters to his faltering party in this year's election, started the dispute last month by calling a Jewish leader, Ignatz Bubis, "the real cause of anti-Semitism" in Germany. He added that the incitement of race hatred was caused not by the far right, but by Mr. Bubis and Mr. Friedman, two of Germany's most prominent Jews.

The incitement of race hatred was made a crime in 1960 after a wave of desecrations at Jewish cemeteries, and is generally understood as a ban on Nazi-style hate rhetoric.

Continued from Page 1

terrorism experts suggested increasing controls within the government over bogus dollars from abroad. In fiscal year 1993, the agency said, there were five times as much counterfeit currency produced overseas (\$120 million) as in the United States (\$24 million).

Congressional sources said that the Treasury hopes to announce the proposed currency changes later this month. The House Banking and Finance Committee is planning hearings on the issue.

Rightists Agree on Italy Plan

Compiled by Our Staff From Dispatches

ROME — The neofascist National Alliance and the Northern League reached a preliminary agreement on Friday for a federal Italy with a strong presidency in a move that could stall government talks going on.

The two parties agreed that Italy's constitution had to be rewritten and its changes put to a referendum.

"We're on the elevator that leads from purgatory to paradise," said Giuseppe Tatarrella of the neofascist delegation that held talks with the League.

The Northern League and the National Alliance are the two main partners of Silvio Berlusconi's Forza Italia party in the Freedom Alliance, which swept to power in elections March 27-28.

Since the vote, the three allies have done little more than trade insults.

But the League broke the ice on Thursday when its leader, Umberto Bossi, held talks with the head of the National Alliance, Gianfranco Fini, about federalism.

Constitutional experts of the two parties then met in Rome on Friday and hammered out the federalism idea.

The neofascists traditionally favor a strong central state but recently said they would agree to decentralization.

Mr. Bossi also met President Oscar Luigi Scalfaro for talks, but his office declined to say what they were about.

The Northern League, meanwhile, said it would support a government headed by Mr. Berlusconi in exchange for pledges to turn Italy into a federal state and ensure democratic rule.

Mr. Berlusconi must commit himself to these two points, which will be closely monitored by the Northern League, Mr. Bossi said in an interview with the daily newspaper Il Giornale published Friday.

Mr. Bossi described Mr. Berlusconi, a media magnate, as "an autocrat" and said he was convinced that Mr. Scalfaro would turn to Mr. Berlusconi to form a government.

"I am positive that Scalfaro will give the prime ministry to Berlusconi," he said, adding that the pair were tied by an "iron-clad agreement" bound by I don't know what joint interests. (Reuters, AFP)

WORLD BRIEFS

Sihanouk Home With Plan for Peace

PHNOM PENH (NYT) — King Norodom Sihanouk of Cambodia, who has been under treatment in China for cancer, returned Friday for the first time in more than six months, with plans to try to reopen peace negotiations with the Khmer Rouge guerrillas.

The 71-year-old king seemed fit as he arrived at the airport, although he is now bald as a result of what aides said had been intensive chemotherapy for cancer of the prostate and bone marrow.

Aides to the king said that he will grant an audience within the next few weeks to Khieu Samphan, the nominal leader of the Khmer Rouge, the Maoist-inspired rebels who remain the gravest threat to the new coalition government.

Israel to Import Foreign Workers

JERUSALEM (Reuters) — Israel announced on Friday it would import foreign workers to replace Palestinians banned from the country after two Arab guerrilla attacks this week. The official statement did not specify how many workers would be allowed in from overseas.

Prime Minister Yitzhak Rabin reported to his security cabinet on Thursday's sealing off of the occupied territories to protect Israelis from more revenge attacks over the Hebron mosque massacre.

The closure, which a government statement said would last at least until after Israel's independence day on April 14, effectively keeps 60,000 to 70,000 Palestinians away from their jobs in Israel.

Major's Popularity Plunges in 2 Polls

LONDON (Reuters) — Prime Minister John Major of Britain and his governing Conservative Party have plunged to new depths of unpopularity, two opinion polls published on Friday showed.

A poll in the Daily Telegraph showed that no prime minister and no government had fallen so far and so fast in people's estimation since the organization first started polling in Britain in the late 1930s. Only 21 percent of those polled were satisfied with Mr. Major's performance and the Conservative Party had a mere 12 percent approval rating. The poll also gave the opposition Labour Party a 25 point lead over the Conservatives, who face major losses in local government elections in May and in elections for the European Parliament in June.

A poll in the London Evening Standard dealt a further blow to Mr. Major's credentials as party leader. Only 37 percent of his own Conservative supporters said they thought he would do the best job as party leader in the next general election, due by 1997. The poll also showed that 33 percent of Conservatives preferred Trade and Industry Secretary Michael Heseltine over Mr. Major for the leadership.

Poland Applies for EU Membership

ATHENS (Reuters) — Poland formally applied Friday to join the European Union and Foreign Minister Andrzej Olechowski said membership would be "a dream come true."

Mr. Olechowski handed Poland's application to the Greek foreign minister for European affairs, Theodoros Pangalos. Greece currently holds the EU presidency.

Poland is the second former Communist-bloc country to apply for EU membership. Hungary applied a week ago.

TRAVEL UPDATE

U.K. Airports Test Bomb Detector

LONDON (Reuters) — The world's first automatic bomb-detection system for airline luggage is being installed in Britain, the company operating the country's main airports said Friday.

BAA PLC said the equipment uses computerized X-ray machinery to analyze materials and match them to profiles of explosives. A suspect bag is sent for further checks, including examination by sensors. The company said the equipment could check up to 20 bags a minute and would not prolong check-in procedures. The new system will be positioned in the baggage sorting area with luggage examined once it has been checked in.

The system has been on trial at Glasgow airport and will initially be installed at the Heathrow and Gatwick airports near London to check international transit baggage. It will be installed to screen all checked-in luggage at its seven airports by 1996 at a cost of \$150 million (\$220 million).

Cruise passengers should go through metal detectors before boarding, and luggage and cargo should be X-rayed, the U.S. Coast Guard has proposed. Maritime officials said this could cost the cruise ship industry \$10 million a year.

Canadian Airlines International, Canada's second-most important carrier, announced Thursday it will resume flights to Beijing on May 3 and to Shanghai one year from now. Both services were suspended in 1989 on grounds of financial difficulties.

Warning of a tsunami, also called a tidal wave, was issued Friday by Japanese authorities for Japan's northern Pacific coast following a strong earthquake 220 kilometers (140 miles) off the northern coast with a preliminary reading of 6.6 on the Richter scale.

Hundreds of passengers were stranded at the Hanoi airport Friday after the Russian authorities refused to grant permission for a scheduled Vietnam Airlines flight to land in Moscow, saying the airport there could not cope with increased traffic after the carrier added a second weekly flight to its summer schedule.

Golo Mann, Author's Son And Historian, Dies at 85

The Associated Press

BONN — Golo Mann, 85, a widely read and idiosyncratic historian and the last surviving son of the writer Thomas Mann, died Thursday of cancer in Leverkusen, Germany, north of Cologne.

With the death of Mr. Mann, the third of six children of Thomas and Katharina Mann, Germany lost the last prominent member of a family that left a huge impact on the German intellectual scene. Thomas Mann's early novels — "Buddenbrooks," "The Magic Mountain" and "Death in Venice" — earned him a Nobel prize in 1929 and remain classics 40 years after his death.

Golo Mann was 24 when he fled Nazi Germany with his parents in 1933. He lived in France and Switzerland before emigrating in 1942 to the United States, where he taught history at Olivet College in Michigan and Claremont College in California.

He returned to Europe in 1957. After retiring from his political science chair at Stuttgart's university in 1964, he moved to Switzerland, where he lived at Kibichberg until shortly before his death.

Mr. Mann was perhaps best known in Germany for his biogra-

phy of Prince Albrecht von Wallenstein, the 17th-century Bohemian soldier and statesman, and for his memoirs, which were published in 1986 and spent months on the best-seller list.

His 1958 book, "German History of the 19th and 20th Century," made a strong impression on German students because of its passionate yet careful examination of the Nazi period.

The historian Urs Bitterli wrote recently that in contrast to many postwar historians, Mr. Mann never intimated that Nazism might have been historically determined by German character.

In the 1970s, Mr. Mann had a popular talk show on public television. He backed the Social Democratic government's détente with East Germany.

In the 1980s, he became something of a black sheep after calling the battle against leftist terrorists "a new civil war" and demanding that Germany close the door to Third World immigrants.

In the 1986 "Historians' Dispute," a wide-ranging discussion of Germany's relation to its Nazi past, Mr. Mann suggested that Germany had done enough penance for the Holocaust.

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THE AMERICAS / 2 BUCKS A PAGE



FRONT ROW SEAT — The film director Ron Howard and his daughter Jocelyn at the launching site of the Endeavour shuttle Friday in Cape Canaveral, Florida. The liftoff was put off until Saturday, however, because of high winds and clouds. Mr. Howard is researching a film on the Apollo 13 mission.

Away From Politics

● A nuclear plant in New Jersey trying to reduce power after glass clogged its cooling-water intake went through a power swing before an automatic system shut the plant down. The Nuclear Regulatory Commission said. After the shutdown, the commission said, an emergency cooling system came on twice when it should not have, spilling radioactive water into the plant. No radiation was released to the environment and no one was hurt at the plant in Lower Alloways Creek.

● Alaska's program of culling wild wolves has ended for the winter season, with 98 of the animals killed at a cost of \$135,000, state officials said.

● An off-duty Federal Express pilot attacked the crew of a company cargo jet in flight over Arkansas, critically injuring two people. Auburn Calloway, 42, was a passenger on the DC-10 when he burst into the cockpit armed with two hammers, a knife and a spear gun.

● A rabbi has been convicted of conspiring to launder millions of dollars in drug money. Federal prosecutors in Los Angeles said Rabbi Abraham Low, 43, told an undercover FBI agent that he could launder up to \$3 million a week through a "holocaust" of charities and nonprofit groups.

● A student at the Massachusetts Institute of Technology has been indicted in Boston, charged in connection with a computer "bulletin board" that allowed people to copy more than \$1 million worth of copyrighted software for free. The authorities said David LaMacchia, 20, who was charged with conspiring to commit wire fraud, ran the bulletin board.

Flight Attendants Push A Symbol Out the Door

By Richard M. Weintraub

Washington Post Service

WASHINGTON — First the no-marriage rule fell. Then the no-children rule, followed by the too-old rule. Now one of the last symbols of the flight attendant as a sex object is being tossed on the trash heap of airline history: the weight chart.

With an agreement by USAir to abandon weight limits as a condition of employment, only a handful of airlines insist that they can suspend or dismiss a flight attendant based on a line on a scale.

"With this settlement, the airline will finally stop using weight as a means to evaluate flight attendants and recognize us for our contributions as safety professionals," said Carol Austin, the head of the USAir flight attendants' union. "Performance on the job, not weight, should determine whether a flight attendant is capable."

USAir agreed to settle the issue with its 9,300 flight attendants and the Equal Employment Opportunity Commission, which had sued the airline on the grounds of sex and age discrimination for barring women from flying because they failed to meet weight requirements.

The rules, once common among airlines, are hangovers from a day when the flight attendant was young and single and called a stewardess and society looked quite differently than it does today on the role of women in the workplace.

Just as times have changed, so have flight attendants. Nancy Butler, a spokeswoman for USAir, said: "I think the image we may have had years ago — that this was an ideal job for a young woman to see the world and meet people — is no longer true. It is more a service career and a lifestyle choice."

Nancy Segal, an attorney for the Association of Flight Attendants, said: "The flight attendant population is getting increasingly older and as people age it is increasingly more difficult to maintain weight."

At USAir, however, not much change was allowed. A 5-foot-2 (1.58-meter) flight attendant could weigh no more than 125 pounds (57 kilograms), according to the now-banned weight chart. She could add 3 pounds for each decade, at age 30, 40 and 50.

The lawsuit is an outgrowth of a weight policy begun at Piedmont Airlines, which was merged into USAir in 1989.

Under the agreement, which still must be approved by the court, the weight policy will be abandoned. No new policy can be introduced for three years, and then only by negotiation with the union.

In addition, the airline will pay \$15,000 to be split among 20 flight attendants who were not hired because of their weight and \$75,000 to be shared among 33 who were suspended by Piedmont or USAir.

Whitewater Papers Are Going on Sale

Clinton's Former Business Partner Hands Media an Ethical Bombshell

By Susan Schmidt

Washington Post Service

WASHINGTON — James B. McDougal, President Bill Clinton's former business partner, is offering to sell copies of documents on the Whitewater real estate deal for \$4,000 a set.

Mr. McDougal's lawyer, Sam Heuer, told news organizations that 2,000 pages of records that the White House turned over this week to Mr. McDougal would be made available Tuesday.

But news organizations will have to pay \$2 a page if they want copies, Mr. Heuer said. The money will go toward paying for Mr. McDougal's legal defense.

"Jim will make comments and will make himself available to those who purchase them," Mr. Heuer said.

He called it a "one-time deal." Stephen Hess, a media scholar at the Brookings Institution, said: "What a glorious scam. It's a new definition of chutzpah."

Although news organizations routinely pay costs for reproducing documents, many were struggling with the ethical questions that would be raised by the purchase of Whitewater documents.

David Kendall, the lawyer for the Clintons handling matters relating to the special counsel's Whitewater investigation, reiterated the White House's refusal to make the documents public.

Mr. McDougal, former owner of Madison Guaranty Savings & Loan, a failed thrift at the center of

the special counsel's investigation, and his former wife, Susan, were joint owners with the Clintons in the Whitewater real estate venture in the Ozark Mountains.

Mr. Hess said the Clintons should ask Mr. McDougal to release the documents at cost.

"They, as public officials who have a stake in this thing, might request the release of these papers," he said.

The documents include at least some of the Whitewater material removed from the office of Vincent W. Foster Jr., the former White House deputy counsel who committed suicide last July.

Mr. Foster handled the Clintons' sale of their stake in Whitewater to Mr. McDougal for \$1,000 in December 1992. At the time, he agreed to prepare three years of back corporate tax returns on Whitewater and to send all the records back to Mr. McDougal.

Mr. Foster completed the tax returns in June, shortly before his death.

The former White House counsel, Bernard W. Nussbaum, kept the documents from U.S. Park Police and FBI investigators looking into the suicide last summer and turned Mr. Foster's Whitewater file over to Mr. Kendall.

In a related development, a White House staff secretary, John Podesta, testified before a grand jury in Washington looking into whether there had been improper contacts between White House and Treasury Department officials on the progress of the Whitewater investigation.

2 More Are Investigated In Mexico Assassination

By Tod Robberson

Washington Post Service

MEXICO CITY — Two more potential conspirators — one of them an internal intelligence agent — are under investigation in the March 23 assassination of the country's leading presidential candidate, Luis Donaldo Colosio, according to the government.

The Interior Ministry said in a statement Thursday that Jorge Antonio Sánchez Ortega, an agent of the National Investigation and Security Center, has been suspended from his job while he is under investigation for possible involvement in the assassination. The agency, which deals with internal intelligence, is under direct presidential authority.

Mr. Sánchez has told police that as part of his normal duties he was at the political rally in Tijuana where Mr. Colosio was shot. Mr. Sánchez is quoted in a government communiqué as saying he rushed forward 200 yards to assist in evacuating Mr. Colosio after the shooting.

The police said they arrested Mr. Sánchez that day after noticing blood stains on his clothing, and a subsequent paraffin test showed what could be traces of gunpowder on his hand.

The special prosecutor, Miguel

Montes García, said the second new suspect, identified as Salvador Hernández Tomasi, was shown in videotapes and photographs wearing a black hat and sunglasses as he approached Mr. Colosio and attempted to distract the candidate just before the killing.

At least five men, including the accused gunman, Mario Aburto Martínez, have been arrested.

Although investigators so far have come up with no coherent explanation for the killing, the expanded list of suspected co-conspirators and inclusion of party members in the investigation added to speculation among many Mexicans that the assassination was politically motivated.

At the same time, some Mexican officials have suggested that evidence points to a link between the alleged conspirators and a powerful Tijuana-based drug cartel.

An official, who declined to be identified, said the government's investigation into the assassination "is pointing toward a connection" with major narcotics traffickers whose main base of operations is Tijuana. But law enforcement sources here, as well as an official of the U.S. Drug Enforcement Administration, said they have found nothing to back up such an assertion.

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★ POLITICAL NOTES ★

Mitchell In for the Stretch

WASHINGTON — The White House said that it foresaw no difficulty should George J. Mitchell stay on for some time as leader of the majority Democrats in the Senate in the event of his nomination by President Bill Clinton to fill the impending vacancy on the Supreme Court.

Presidential aides made it increasingly clear that the senator from Maine was the leading candidate to replace Justice Harry A. Blackmun, who is retiring from the court. The White House press secretary, Dee Dee Myers, sought to minimize concern about whether Mr. Mitchell could function as a nominee while doing the president's partisan duty in the Senate.

Among Republicans, only Representative Richard K. Armey of Texas has publicly suggested that to nominate Mr. Mitchell would improperly politicize the court.

But at the White House and in Congress, some senior officials expressed apprehension that the steps necessary to elevate Mr. Mitchell to the court would either leave him vulnerable to criticism or put the president's health-care plan in jeopardy.

As majority leader, Mr. Mitchell is expected to play a pivotal role in helping the president gain passage of his program to overhaul the nation's health-care system.

If anything, Ms. Myers said, the prospect that Mr. Clinton might ask the senator to wear both political and judicial hats this summer "would only enhance his stature."

She emphasized that she was speaking only speculatively, however, and she and other officials insisted that Mr. Clinton was nowhere near a decision. (NYT)

Health Expert to Retire

WASHINGTON — Representative J. Roy Rowland 68, one of two physicians in Congress and a leader in the House of Representatives on health issues, announced Thursday that he would retire at year's end to return to private life.

The announcement from the Georgia Democrat raised to 43 the number of House members retiring or leaving to seek higher office. The voluntary departures have kept close to the 1992 pace, when redistricting and an internal banking scandal in the House contributed to a postwar record 65 lawmakers leaving. As of April 9, 1992, 47 House members had decided to quit.

Twenty-five Democrats and 18 Republicans have announced they will not seek reelection this year. Earlier this week, Representative Jamie L. Whitten, Democrat of Mississippi, and Representative Jim Bachus, Democrat of Florida, said they would retire, while Representative Don Sundquist, Republican of Tennessee, formally declared his candidacy for governor.

Mr. Rowland said his decision was a simple one to resume life as a private citizen and had nothing to do with frustration with Congress or his re-election prospects. (WTP)

Slim Virginia Lead for North

WASHINGTON — Despite relentless assaults on his integrity, mental stability and far-right conservatism, Oliver L. North appears for now to have the narrow majority of delegates he needs to win the Republican nomination to run for the U.S. Senate from Virginia, several political analysts and unaligned Republicans say.

Although vote shifting may continue until the June 4 Republican state convention, estimates put the count for first-time candidate at slightly more than 50 percent.

Party activists say the enthusiastic base that Mr. North has built among voters in mountainous southwestern Virginia and the tobacco belt appears large enough to counter urban support for his opponent, James C. Miller 3d, who is hovering at 40 percent.

Predictably, both candidates claim they are doing better than the estimates suggest. They also agree that the race's volatile climate means nothing may be certain until the convention.

Such a turnout would be far more than initial estimates and a sign of intense interest among the party faithful. (WTP)

Quote/Unquote

President Clinton, speaking in Fairway, Kansas: "One of the things that bothers me is that sometimes I think that out here in the country folks are worried that nothing's getting done in Washington because of what they read about in the papers." (NYT)

AIDS Virus May Switch On Cancer Gene

By Gina Kolata

New York Times Service

NEW YORK — Researchers in San Francisco say the AIDS virus may directly cause a cancer of the immune system by inserting itself into a cell's DNA and switching on a dormant cancer gene.

Doctors have thought that these cancers in people with AIDS were always caused by the suppression of the immune system by HIV, the virus that causes AIDS.

In a paper published Friday in the journal Cancer Research, Dr. Michael McGrath and his colleagues at the University of California at San Francisco report that they found lymphomas, cancers of the immune system cells, in four AIDS patients that appeared to have been caused directly by the virus.

Dr. McGrath said he had examined 30 patients with unusual lymphomas in which HIV was present. He said that since he submitted his paper in December, he studied 10

more patients and found three more in which the virus was near the same cancer gene.

Dr. McGrath said in an interview that although his evidence was not ironclad, the data suggested the virus caused the cancers.

Even if the link is proved, other scientists said the cancers caused directly by the virus appeared to be so rare that they would have virtually no significance in the overall devastation caused by AIDS.

Dr. Carlo Croce, an expert on lymphomas and director of the cancer center at Thomas Jefferson University in Philadelphia, said the finding might be interesting to researchers because only animal cancers had been proved to result from the direct integration of a virus into a cell's genetic material. But he said the clinical significance was likely to be minimal.

People with AIDS have about a 30 percent chance of getting lymphomas and, in virtually all of these

cancers, HIV is not in the DNA of the cancer cells, he said. The lymphomas arise because the virus suppresses the immune system, he said.

Bernard Poiesz, an expert on cancer and AIDS at the State University of New York Health Science Center at Syracuse, said that "from a scientific viewpoint, it would be very interesting that this could occur." But, he said, from a clinical viewpoint, "it would be just another of the many things that can happen" to a person with HIV.

He added that cancer caused by the direct insertion of HIV into a cell's DNA, "is infrequent and not of any particular cause for alarm."

HIV is a retrovirus, a type of virus that normally inserts itself into a cell's DNA. But, for the most part, it inserts itself randomly in the DNA.

Dr. McGrath said this made it all the more striking that the virus inserted itself in almost exactly the same spot in lymphomas in four

patients. In each case the virus was close to a dormant cancer gene. "The odds are millions to one" against that happening by chance, he said. Instead, he proposed, the virus may have been attracted to that area and may have activated the cancer gene.

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Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

Death in the Mideast, Again

The enemies of Middle East peace have struck again, slaughtering yet more innocents and threatening new disruption of negotiations between Israel and the Palestine Liberation Organization.

The murderous hatreds that inspire Israeli and Palestinian zealots did not begin with Baruch Goldstein's mosque killings in Hebron. They are not likely to end with the latest atrocities by Hamas — the car-bombing of a bus in Afula on Wednesday, killing eight Israelis; a bus-stop shooting in Ashdod on Thursday; and a threat of still more attacks.

But the best response to violence on both sides is rapid conclusion of arrangements between Israel and the PLO to begin transferring local authority in the occupied territories to Palestinian hands. Talks should resume, as scheduled, on Sunday.

Last month Yasser Arafat, the PLO chairman, faced down an emotional revolt on the Palestinian side against continuing negotiations with Israel after the Hebron killings took place. Now, after these attacks said to be in revenge for Hebron, Prime Minister Yitzhak Rabin must also stand up to Israel's angrily

demanding that the talks be broken off. Turning over the policing of Palestinian residential areas to a Palestinian force, as envisioned in the autonomy talks, might prevent another Hebron. It would make no direct contribution to preventing other Afulas and Ashdods. Hamas's attacks occurred not in the occupied territories but within Israel's pre-1967 borders. But surely progress toward peace in the volatile territories could have a calming effect in Israel proper.

True, progress toward peace seems only to provoke Hamas zealots to greater violence. But within the broader Palestinian population from which Hamas draws its recruits and sanctuaries, peace is likely to create a more constructive dynamic.

Hamas's terror campaign is aimed as much at the PLO as at Israel. But the reaction of PLO leaders has been strangely, and disconcertingly, subdued. On Thursday, the PLO did belatedly issue a pro forma statement deploring the Afula attack. Regrettably, Yasser Arafat himself has not yet seen fit to condemn the Hamas killings.

—THE NEW YORK TIMES.

Squeezing the Drug Pariahs

If a foreign government were secretly making or shipping powerful explosives into the United States, where they blew up and killed thousands of Americans, the act would be defined as international terrorism and treated as such. So too the involvement of foreign governments in producing or shipping narcotics, which lay waste whole communities and destroy countless lives. Official complicity and lax law enforcement amount to a deeply hostile policy. In the past the United States has been slow to weave drugs into the fabric of foreign policy. But the annual executive blacklist of nations that fail to cooperate in international anti-drug efforts has become a useful strand. Its listing costs a country heavily in access to American and international aid.

The new name on this list of shame this year is Nigeria. In recent years its citizens' renowned entrepreneurial talents have been increasingly turned to the drug trade. American officials report that an international cocaine and heroin transportation network has been set up, not just by individual "smugglers" but by organizations employing thousands of Nigerians and others. It has enjoyed the protection and in some cases

the participation of military regimes in Lagos. The other names on the list are carryovers — Iran, Burma and Syria. Of the three, only Syria was a hard call, because of its role in the Middle East peace talks. Its indulgence of drug-based corruption in Lebanon's Bekaa valley, which Syria controls, tipped the decision to include it on the list.

It came naturally to the Clinton administration, centered as it is on a domestic agenda, to take seriously a procedure aimed at fighting the drug menace on American streets. Since 1985, Congress has required the president to certify a receiving country's aid-worthiness on the basis of its anti-drug policy. Of countries certified, some get a clean bill of health while others are certified, despite a poor record, only by a national-interest or political waiver.

In the latter category this year are repeaters Afghanistan and Lebanon and first-timers Laos, Bolivia, Panama and Peru. A waiver is a yellow light telling the affected country that the United States still means to take what steps it can to bring the country up to international standards in the deadly drug war.

—THE WASHINGTON POST.

The Justice Leaves Big Shoes

It comes as no surprise that the Supreme Court's oldest member, who has served almost a quarter of a century, has decided to retire. Justice Harry Blackmun, in good health and good spirits, had publicly speculated about stepping down, but then confounded observers by the enthusiasm with which he addressed each new question before the court, the vigor of his participation in decision-making and the youthful spirit of learning and change that kept him constantly reassessing earlier positions and making the adjustments he believed were necessary.

In *Roe v. Wade*, he wrote the opinion that has had the most significant social impact of any decided while he was on the court. Younger Americans did not know the days when abortion was illegal and unsafe, but it is important to remember the conditions prevailing at that time to appreciate Justice Blackmun's courage and leadership.

Like Justice Byron White before him, Justice Blackmun was appointed to the court by a president who had every right to be surprised by his later performance. President John F. Kennedy had named a man who turned out to be far more conservative than expected. Pres-

ident Richard Nixon, relying on the advice of his friend Chief Justice Warren Burger, undoubtedly thought he was choosing the chief "Minnesota twin," as some dubbed him at the time. But Justice Blackmun, almost from the beginning, sought to separate himself from the pattern set by his childhood friend and asserted independence on the bench. That he has done so probably means no one chosen by President Bill Clinton to replace him will significantly alter the court's ideological composition.

Justice Blackmun has given the president the courtesy of early notice. He told Mr. Clinton of his plans months ago, and he has made his decision public well in advance of the beginning of the 1994-95 term, in October. The president presumably has begun assessing candidates for the court in his mind. Most of the search goes public, but it should not be a long one. The candidates who are mentioned were either studied for this position the last time around or are known to the president personally. A staggering workload lies ahead of the Senate this summer. The sooner the president sends up his Supreme Court nomination, the better.

—THE WASHINGTON POST.

Lives Saved? Why Bother?

We had not realized just how many Americans have been inconvenienced by the Brady law — which requires a waiting period while would-be gun purchasers are checked for criminal records — until we heard about the latest glaringly absurd findings of an NRA official, who concluded: "The Brady law doesn't focus on criminals. They are not going after criminals. They are bothering citizens." We do not yet have the latest statistics on citizens who have been bothered by having to comply with the Brady law, but the number of what they might call terminally inconvenient Americans — people killed by handguns — is, as always, a world record. Still, Rick Sellers, chairman of the NRA's Criminal Cause Crime Coalition, is not impressed by the number of criminals who just happened to be bothered by the Brady law in its first month of operation.

Though this initial number is not enormous, the law prevented handgun purchases by at least 1,605 people — including fugitives and felons convicted of armed robbery, murder and manslaughter, according to reports from 15 states and cities. And these were not just agitated consumers who merely wanted to stop and shop and shoot on the way home. Forty-four people who were fugitives or facing outstanding warrants were denied guns. One of these

would-be customers was wanted for sexual assault; he was arrested in a gun store. There were rapists, armed robbers and a convicted murderer in the month's catch. If you add in statistics from states and localities that already had similar or tougher laws in effect before the Brady law, the month produced 375,853 background inquiries to the FBI's computerized criminal information network. Out of this there were 23,610 possible felons identified.

According to the Bureau of Alcohol, Tobacco and Firearms, an average of 90,000 background checks are now being done every week under the Brady law. About 16 percent of the applicants show arrest records, and roughly 6 percent of this group are people with felony arrest records. Should people whose lives are being saved by this law — or survivors of the victims — apologize for inconveniencing other citizens? Or should they take heart that sensible standards for handgun ownership and public safety can actually save some lives? They may well find that there are still other inconveniences that might save lives — which is the thrust behind "Brady 2," a bill calling for some more protections: licensing, registration and bans on certain weapons that are not at all the stuff of leisure sports. Why bother? It's only a matter of life and death.

—THE WASHINGTON POST.

Russia's 'Near Abroad' Is Not One Place

By William Pfaff

PARIS — Russia's relationship with the West is fundamentally influenced by relations with what Moscow describes as the "near abroad." Everyone sees this, but not everyone distinguishes between Russia's legitimate interests within the frontiers of what once was the czarist empire and its interests elsewhere.

Some in Washington are anxious about renewed Russian imperialism or alleged expansionism, while others want Russia to police the tumultuous ex-U.S.S.R. or even favor an American alliance with Russia "to contain China." Much of this seems overwrought. American policy has been erratic as a consequence, and the Russian government, despite its internal confusions, has been able to exploit this.

It disposed — with expedition and no little cynicism — of the idea that NATO protect the East European countries. Moscow convinced Washington that NATO membership for the East Europeans would be considered a hostile act, provoking Russian nationalism. Washington responded with its nebulous proposal of a "Partnership for Peace." Moscow then said that it wanted to join the partnership too, but on privileged terms — not like the others. The project was thus deprived of any sense whatever.

Moscow has also asked that the United Nations grant "blue helmet" status to its 15,000 troops deployed across the former Soviet Union, where they have served as peacekeepers or peacekeepers in old ethnic and national quarrels but are also a vehicle of Russian power in regions of feeble autonomy and disputed rule.

UN Secretary-General Boutros Boutros Ghali was in Moscow at the beginning of this month, and while he indicated to the Russians that their

request was impossible to grant, as obviously violating the principles governing UN troop deployments, he said that it was possible that arrangements could be made by which the Russians would act in the region in "close cooperation" with the United Nations, and be considered UN peace "observers."

Russia's concerns inside the ex-Soviet Union derive from the fact that most of the new states there have never had independent statehood in the modern sense, or have done so only briefly. Ukraine claimed independence in 1990 and still has nuclear forces, a convincing argument in support of that claim. However, it is an unconvincing claim historically. Like Belarus, Ukraine was a region populated by Slavs and fought over by the Great Russians, Poles and Lithuanians. Its nationalism is a 19th-century development.

The Baltic nations, on the other hand, were independent between the world wars. Lithuania was a united nation in the 13th century, in the 14th century even establishing an empire that incorporated part of Great Russia and extended from the Baltic to the Black Sea. Estonia and Latvia have always had their connections to Central Europe and Scandinavia — and to Finland. Their historical claim to independence is a reasonable one, as Moscow today acknowledges.

The United States supports the independence of all of the states that have come out of the breakup of the Soviet Union. However, it is necessary to face the fact that not all of them have what it takes to govern themselves effectively, and that Russia's interest in containing

disorder in the region is not illegitimate. We are dealing with the breakup not only of the Soviet Union but substantially with that of the czarist empire, three centuries old. Dismantlement of historical Russia is not necessarily a Western interest, nor is Western interference there necessarily a prudent policy.

The independence of the East European states is an entirely different affair, and their defense a clear Western interest. Mr. Clinton's government gives the impression of not having fully grasped this point. Moscow certainly understands it perfectly. This is what the Cold War was all about. The essential outcome of the Cold War — the West's "victory" — was that Poland, Romania, Czechoslovakia, Hungary, Bulgaria and East Germany regained the independence Stalin had taken from them. It is a fundamental American and Western European interest that they keep it. There is a legitimate Russian interest in secure borders and nonthreatening neighbors, which is well understood in the West. There is no legitimacy to any Russian claim to have satellite states on its frontiers.

It is impossible to deal intelligently with the new Russia unless one understands the importance of this distinction, between states possessing historical existence and a proven ability to govern themselves and those who want such a status but have not yet demonstrated that they are capable of it. This is why the fiasco over NATO guarantees to Eastern Europe was an important event. It confused rather than clarified what Russia has a right to expect from its neighbors, and what the West should expect from Russia.

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A Democratized U.S. Policy, for Poles and Others

By Stephen S. Rosenfeld

WASHINGTON — In the Polish Embassy here the other evening, a probing but somewhat forlorn discussion unfolded on the anguishing moment in World War II when Poland escaped Nazi tyranny only to fall under Soviet Communist rule.

It wasn't simply that policy was run by well-born Anglo-Saxons. They were the ones who got first crack at defining the American national interest. The way they did it had much to do with high strategy, but it also had more to do with a little bit of bloodlines. There was no conspiracy, but a cultural context in which certain favored people did what came naturally.

In the Second World War as in the First, a concern for the Anglo-Saxons' homelands of Britain and Northern/Western Europe came to be identified as a national interest. In World War II, groups well down the social ladder, like the Poles and the Jews, found that their fellow citizens regarded the fate of their kin not as national business but as ethnic or "merely" humanitarian in nature.

It was no small semantic difference. The designation marked an immense political as well as social divide. Saving the one became an American war aim, and it was accomplished. Saving the others was not a strategic priority, and it was not accomplished. The war regenerated American democracy, extending more widely throughout the population its social opportunities, material benefits and political privileges. Thus were sources and directions of foreign policy affected.

Not that grand strategy had nothing to do with it. But the fact is, Sovietized Eastern Europe, twice left in the lurch (Munich 1938, Yalta 1945), became the region whose destiny was perceived to be the principal stake of the Cold War.

A factor of historical guilt came to the fore. The importance of guilt in drawing American support to the establishment of Israel as a Jewish homeland is well known. Less well known is that, as Robert Gerald Livingston has written, the West finally responded to the centuries-old appeal of Poles, Hungarians, Czechs and Slovaks to be Catholic Christendom's bulwark against the Orthodox (and Muslim) East.

Understandably, those who stood to lose status (though not security) from this postwar trend have not been entirely comfortable about it. I recall hearing the late W. Averell Harriman, a member of the old foreign policy club, wisecracking of new arrival Zbigniew Brzezinski, Jimmy Carter's Polish-born national security adviser: "He's too Zbig for his zbitches."

Decision-making on Asia follows a separate pattern. Policy in Europe, whence many Americans come, is more or less open to ethnic politics. Policy in Asia, whence few Americans come, is marked by the play of economic interest groups. Democratization there takes another form.

The extension of foreign policy privileges to ethnic or racial groups on the edges of power in American society is still incomplete. A look at American policy toward Haiti, for instance, makes plain that blacks still lack the leverage and deference more favored groups enjoy. But there is a trend to making policy democratic or, if you will, multicultural. And although the Poles and other East Europeans have their reasons to be skeptical, no one has benefited more than they from the change.

Ten days later, a revolt in the homeland of Ciskei proved easier to handle as civil servants basked in the danger their outmoded political bosses posed to their job security. There the pension proved mightier than the sword.

KwaZulu will prove far more difficult to win over, for Chief Buthezi is the one homeland leader with significant popular support. This time, a different strategy will be required. First prize, of course, would be agreement by all parties to join hands and go into the election as scheduled. But Chief Buthezi fears elections as much as Mr. Mandela relishes them. The chief can read the polls, which do not offer him much hope, even in his own territory. He is likely to face a riot nationally, and he would need to join a coalition even to govern KwaZulu. The most likely outcome is that the elections proceed — as they must — without Inkatha.

Where voting is impossible because of violence or intimidation, Mr. de Klerk will deploy the South African Army. Voting stations on KwaZulu's winding borders can also help because many people who live there can cross the border and vote in Natal.

Whatever the exact outcome of the voting, Chief Buthezi's political power will decline. Now, much of his clout rests on his subsidy from Pretoria. And his power over the Zulu king, Goodwill Zwelithini (who is also his nephew), rests in turn with his subsidizing the king.

But the king and Chief Buthezi have not always been friends and will no doubt be less friendly in the future. After April 27, when South Africa's homelands are automatically dissolved, the king's paymaster will be President Mandela, not Chief Buthezi. Mr. Mandela has proved over and over that he understands the public and private exercise of power. He will ensure an honored place in society, perhaps by making a constitutional monarch over the Zulus. And he will begin to withdraw Chief Buthezi's prerogatives.

Mr. Mandela should start by removing Chief Buthezi as minister of the notorious KwaZulu Police. Then he should slowly begin to centralize other departments of government, such as education and health. It is true that violent resistance could accelerate after the elections. If it does, Mr. Mandela has made it clear that he will act forcefully.

In time Chief Buthezi's power will revert to something proportional to his own public support. As in the description of Haiti's late President Capusinski's "The Emperor," one day someone may just come and drive away the official limousine.

The writer, a South African journalist, contributed this comment to The New York Times.

Just a One-Act Charade, Leaving Israel Exposed

By A. M. Rosenthal

NEW YORK — In Cairo, Yasser Arafat is asked for comment on the slaughter of the bus passengers in Israel by a Palestinian terrorist. He turns and walks away.

From Hollywood the same day came a story about Islamic attitudes toward Jewish lives, and Jewish deaths. In Islamic countries around the world, "Schindler's List" is being banned — labeled as obscene, pro-Jewish, anti-German or all three.

Jews, and friends of Jews, who do not pay attention to those events and who fail to see their connection to the chances of a lasting Middle East peace make a serious error.

The goal of the talks between Arabs and the Israeli Labor government is land for peace. It is already half-achieved. The Arabs are getting the land. Far ahead of a final peace settlement, the Israelis are committed to turn over Gaza and Jericho to the Palestinians any day now, and proceed to roll themselves out of most of the rest of the West Bank. Palestinian police patrols are already there.

The Palestinians will declare an independent state whenever they wish. Most of the world will recognize it. By

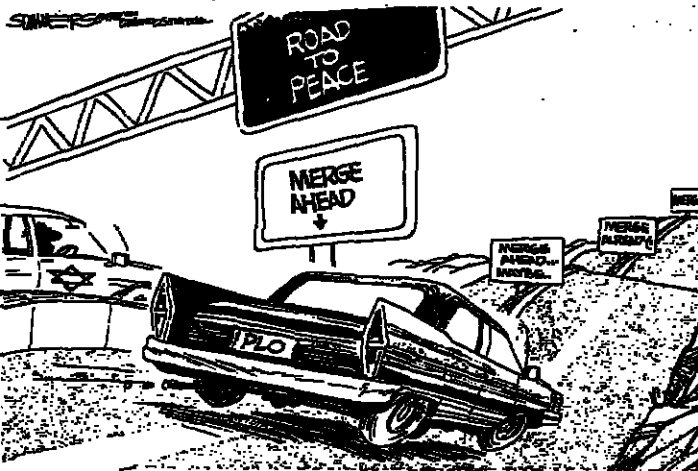
Israel's agreement it will already have the attributes of independence: control of land, police power, bureaucratic and legislative jurisdiction, a seat of government in Jericho.

For Palestinians all this is achievement of great moment. From land they rule themselves, they can build a state and make peace its great asset.

Or they can create a launching pad from which they and other Islamic nations can try to conquer all Israel. That is still the sworn objective of the Palestinian movement, as it is the passion of Islamic fundamentalists around the world. Scores of millions of them live in Arab countries, and if fundamentalism comes to dominate the new Palestine, they will stand right on Israel's borders.

The Palestinians' achievement was made possible by their own fortitude and decisions of the Labor government. Prime Minister Yitzhak Rabin decided that peace was more important to Israeli life and security than holding the West Bank.

The government then created a "negotiating partner" — the collapsing Palestine Liberation Organization. Foreign Minister Shimon Peres talks



of Yasser Arafat with tenderness. Israel encouraged other governments to help the Palestinians money and other help — the United Jericho Appeal.

The Rabin government is delivering the goal of land to the Palestinians, on credit. But Israel cannot deliver to itself its own goal of peace.

That will depend on whether leaders of Islam — not Israel, not Washington — will try to bring Muslim minds and souls into some harmony with the Jews — or at least the absence of hate.

That is the nub of the great Israeli gamble. It has not happened, of course. At the White House handshake, Mr. Arafat carefully avoided telling the listening Islamic world that

he had pledged terrorism would end. The Palestinians have not canceled the death-to-Israel oath written into their covenants. The Arab world has not ended the boycott of Israel.

Israeli diplomats and a few other Jews are allowed into some Arab countries once closed to them. Israel's say that some Arabs are doing quiet business with Israel.

That is not peace, that is a one-act charade that may fool Jews but not Muslims. These little games are often not even revealed to the Muslim people. What they do know is that boycott and Holy War continue, that Jews are murderers, thieves and the enemies of freedom — all taught by Islamic propagandists and clerics from Jericho to Kuala Lumpur.

The leaders of Islam have refused to deliver the one contribution — decency of word and conduct toward Israel and Jews — that might transform peace for land from a completely untested theory into reality.

Mr. Arafat made this plain enough when he turned away from the murdered Israelis without a word. And so did the story from Hollywood about the great Holocaust movie being too mean to Germans, too kind to Jews.

The New York Times.

Some Sense in the Singapore Approach

By Charles Krauthammer

WASHINGTON — Michael Fay, an 18-year-old American living in Singapore, has been sentenced to a new campaign to publicly humiliate convicted litterbugs.

It works. Singapore is a city with no litter, no graffiti, no gangs and almost no crime. "Women confidently stroll the streets late at night," writes the Los Angeles Times correspondent in Singapore. "The subway is clean and muggings are rare."

Los Angeles, roughly equal to Singapore in population, had 1,063 murders in 1993. Singapore had 58. L.A. had 38,167 robberies. Singapore had 1,008. And this with a police force less than half that of Los Angeles.

This is not an argument for hogging vandals. It is an argument for re-examining America's own delinquent ideas about crime and punishment. For 30 years, we Americans have poured time, money and manpower into fighting the "root causes" of poverty and deprivation and hopelessness and alienation. And ... surprise. The root causes are still with us, and the crime rate has tripled.

In Singapore, they do not give a hoot about root causes. They could care less about Erik Menendez's (alleged) child abuse or Lorenza Bobbitt's "insanity." And they have practically wiped out crime.

They also do not care much about individual rights. There is no protection against self-incrimination, no trial by jury. The police can order a drug test on the spot — and, if positive, go immediately into rehabilitation for up to three years.

There has been an amazing American reaction to the Singapore hogging affair. Attempts to elicit popular support for Mr. Fay have backfired. There has been remarkable support for Singaporean justice.

This has come as a shock to some American commentators. But it is a natural reaction to the laissez-faire, everything-goes regime of the last 30 years — vagrancy, panhandling, vandalism — that have given U.S. cities a palpable sense of danger and decay. In America, it is even difficult for police looking for guns to inspect school lockers for fear of violating the kids' privacy rights. It is this kind of mindless civil libertarianism that is driving people to applaud the hogging in Singapore — and worse.

The backlash is coming. The best argument for a moderate retreat from the extreme libertarianism that has left America's public spaces in decay is that the alternative is full retreat. As the chaos deepens, the calls for an authoritarian solution will grow.

Look at Russia. It is living in a state of civil disorder that makes American society look positively Singaporean. The result? Half the Russian people voted for totalitarian rule. America is living somewhere between Singapore and Moscow. If we Americans want to preserve our liberties in the long run, we would do well to take one step toward Singapore.

That need not mean the hogging of vandals. We could start with the public humiliation of convicted litterbugs and work our way up.

Washington Post Writers Group.

The Leaders Who Can Bring It Off

By John Matisson

JOHANNESBURG — However tenuous the hopes of millions of South Africans, this country has good leadership for the first time since 342 years ago — if "good leadership" means leaders who face up to the fundamental issue, which is of course relations between blacks and whites.

Certainly Nelson Mandela, president of the African National Congress, and F. W. de Klerk, South Africa's president, have their work cut out for them.

The writing committee of South Africa's Independent Electoral Commission, which is overseeing the first post-apartheid election, concluded this week that voting cannot take place in KwaZulu, homeland of Chief Mangosuthu Buthezi. The report followed weeks of violence between backers of his Inkatha Freedom Party and members of the ANC.

Mr. Mandela and Mr. de Klerk have had to shift constantly from stump speeches challenging each other's fitness to govern to hastily arranged phone calls and meetings to ensure that the handing over of power happens smoothly after the end of voting on April 28.

In recent weeks they have worked with great strategic skill to unstick the garment of grand apartheid that required black "homelands" independent of the white state.

In March, the Bophuthatswana homeland was allowed to flounder in protest until the arrival of the South African Defense Force, welcomed by citizens in revolt against their leader, Lucas Mangope. Had the soldiers been sent in too early, their loyalty might have been in doubt, caught between Bophuthatswana government soldiers and white night-wingers who had rushed to Mr. Mangope's aid.

Ten days later, a revolt in the homeland of Ciskei proved easier to handle as civil servants basked in the danger their outmoded political bosses posed to their job security. There the pension proved mightier than the sword.

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The writer, a South African journalist, contributed this comment to The New York Times.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1894: Insult to the Shah

BRUSSELS — A strange press case has just been instituted against a small paper, the *Petit Journal Belge*. Speaking of the forthcoming visit of the Shah of Persia to Europe, one of that paper's chroniclers described the Shah as a thief, a bloodthirsty murderer, and an immoral wreck who should be immediately arrested on reaching European territory. The Shah's representatives in Europe somehow read the article, and immediately asked the surrender of the writer to the Persian Sovereign. Of course this was declined with a smile by the Belgian Government, but the newspaper is now being prosecuted for insult to a foreign and friendly Power.

1919: Aviation Beacon

WASHINGTON, D. C. — Experts of the Army Signal Corps are experimenting with an invention which they believe will help to make the aeroplane a commercial utility. The new contriv-

ance is described as an "audible beacon," designed as a signal which advises the aviator of weather conditions, and serves as an accurate mark for suitable landing places. The beacon is said to be a combination of the new wireless telephone and the ordinary phonograph. Its operation is automatic and repeats the signal word designating the position.

1944: Russians Advance

LONDON — (From our New York edition.) Two powerful Russian armies, sweeping ahead on a 230-mile front, have hurled Axis troops back across the Hungarian-held Czechoslovak border in the Carpathian Mountains and stabbed 700 miles inside Rumania, capturing more than 480 villages in a swift chase of a broken enemy. Moscow announced last night (April 8). A third Russian army, surging around all land sides of Odessa, captured thirty more localities, including Glendend, only eight miles northeast of the Black Sea port.

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AFTER HOSOKAWA / HOPE IN OTHER CAPITALS

Japan's Reform Plan on Hold World Will 'Just Have to Wait' on Economy

By Steven Brull
International Herald Tribune
TOKYO — Until a stable political system emerges in the aftermath of Prime Minister Morihiro Hosokawa's resignation, Japanese bureaucrats wedded to a slow, incremental process of decision-making

NEWS ANALYSIS

will hold the cards in determining the pace and form of any economic reform.

"The rest of the world will just have to wait," said Roger Buckley, a professor of international relations at International Christian University in Tokyo. "There's really no Japanese government now or in the future to provide international economic policies."

The crosscurrents at work were apparent in the immediate reaction of the Tokyo Stock Exchange to the news of Mr. Hosokawa's resignation.

The Nikkei index plummeted more than 300 points, hitting a low

of 19,520, down from 19,862 at the mid-day break. But despite the obvious uncertainty the resignation created, there were some potential pluses, at least in the short term. Those prospects caused prices to rebound. The index closed at 19,935, up 44 points.

To the extent that politicians focus on internal machinations, the chances decline that Japan can deliver a meaningful package of measures to prime its economy and improve market access before its self-imposed deadline of the July meeting of the Group of Seven industrialized nations in Naples.

Even Mr. Hosokawa, who until recently enjoyed rather high approval ratings, succumbed to strong bureaucratic resistance against more far-reaching plans to reform the tax system and untangle the thicket of regulations that hamper growth and keep out lower-priced foreign goods.

His successor, lacking similar popularity and saddled with an unstable coalition, is likely to have less luck.

"It's unlikely Japan will be able to extend its vision much beyond Nagatomo and Kasumigaseki," said one Western government official, referring to Tokyo's government district. "As for the U.S.-Japan framework talks, it's pretty clear, there's not going to be anybody home."

If Washington stands firm on its demands for objective indicators to measure Japanese market access as well as a commitment that Tokyo extend income tax cuts over several years, the result could be an escalation of trade tension that would be relieved by the appreciation of the yen against the dollar. That, in turn, could undermine hopes based on recent indicators that a modest recovery ending Japan's worst postwar recession could begin later this year.

"If we don't get anything done by the G-7 summit, there's the risk the yen will get pushed up again," said Peter Morgan, chief economist at Merrill Lynch Japan Inc. "If the currency starts going over 100, then there's the risk of a triple dip."

The high yen slows overall economic growth in Japan by eroding the competitiveness of Japanese exports and lowering the yen value of corporate profits earned in dollars overseas. The yen's sharp appreciation a year ago, combined with political instability and an unusually cool summer, undermined growth and put the economy into a "double dip."

In the short term, Mr. Hosokawa's departure has positive elements for the economy. It is likely to break the deadlock that has prevented passage of the budget for the fiscal year beginning April 1. The budget includes income tax cuts as well as public monies for investment in Tokyo equities.

Resignation Won't Hurt Relations

Agence France-Press
TOKYO — China said Friday it hoped relations with Japan would continue to develop "steadily and soundly" despite the resignation of Prime Minister Morihiro Hosokawa.

"Prime Minister Hosokawa has made precious efforts for promoting the development of friendly relations," said a Chinese Foreign Ministry spokeswoman.

"We hope that Sino-Japanese relations will continue steadily and soundly," she said.

From Seoul, President Kim Young Sam of South Korea told Mr. Hosokawa in a telephone call initiated by the Japanese leader that he "reaffirmed his personal friendship and trust."

In the United States, the White House said that President Bill Clinton had expressed his hope that the process of reform would continue in Japan.



Passers-by in Tokyo's Ginza shopping area on Friday watching Mr. Hosokawa on a television screen as he announced his resignation.

5 Prime Ministers in 5 Years: Politics of Scandal Take a Toll

The Associated Press
TOKYO — Five Japanese prime ministers have resigned in the last five years, and money scandals—or failure to pass legislation to stop them—have often been to blame.

• Noboru Takeshita (resigned April 25, 1989). Forced to quit after admitting he received donations from the Recruit Co., the company at the center of perhaps Japan's biggest postwar scandal. Recruit sold cut-rate stock to major politicians or their aides, who later resold the stock for large profits.

• Sosuke Uno (resigned July 23, 1989). Had barely taken office when it was reported that he paid a geisha to be his mistress and mistreated her when they broke up. When the

then-ruling Liberal Democratic Party did poorly in July elections for the Diet's upper house—largely due to the introduction of an unpopular national sales tax—Mr. Uno quit.

• Toshiki Kaifu (resigned Oct. 5, 1991). A little-known politician with a clean reputation, Mr. Kaifu promised to pass anti-corruption legislation. But when bills were introduced, party powerbrokers withdrew support and he was forced to quit.

• Kiichi Miyazawa (resigned July 22, 1993). One of the recipients of Recruit's favors, he too promised to pass anti-corruption legislation. Under pressure from party power-

brokers, however, he lost his resolve in June 1993. Pro-reform legislators quit the party, the party lost its majority in a general election, and Mr. Miyazawa quit to take responsibility.

• Morihiro Hosokawa (resigned April 8, 1994). With the Liberal Democratic Party out of power for the first time since 1955, Mr. Hosokawa finally passed the anti-corruption legislation that had condemned Mr. Kaifu and Mr. Miyazawa. But doubts arose over a 100 million yen (\$970,000) loan he received from a scandal-tainted trucking magnate because Mr. Hosokawa could not prove he paid the money back. He was also accused of lying about a profitable stock deal supposedly made by his father-in-law.

JAPAN: Struggle for New Cabinet

Continued from Page 1

use the popular revolution Mr. Hosokawa was starting to fundamentally alter Japan's relationship with Washington.

"I'm very sad," the former vice president said. "I liked Hosokawa. I consider him a friend, and I feel very sorry for him."

"Here is a guy who offered a new Japan," he added. "He appealed to the young, he had a Kennedyesque appeal, he talked about political reform, administrative reform, opening Japan to the world, finally responding to the consumers. There was such hope. Here was the fresh political persona, coming from prefectural politics, and ending up in charge of a system that needed so many changes."

Amid the chaotic juggling for position under way in Tokyo, three scenarios for the creation of a new government have been sketched out. None of them is extremely promising for the Clinton administration's goal of speeding up the process of reform and opening the Japanese market.

The first scenario calls for the elevation of Mr. Hata as prime minister. After Mr. Hosokawa, he is clearly the most personally popular member of the government, a former bus company executive who helped lead the revolt last summer that ousted the Liberal Democrats after endless scandals.

But Mr. Hata likely will not be acceptable to the Socialists, the biggest party in the coalition. He is closely associated with Ichiro Ozawa, Japan's most powerful politician and the other end of the ideological spectrum within the coalition.

Mr. Ozawa clearly has a plan in mind to eventually consolidate the coalition into a broad, conservative party, perhaps one willing to endorse his notion that Japan must become a "normal nation" that does not shy away from responsibilities like United Nations peace enforcement. In time, that plan calls for ousting many of the Socialists.

CHANGE: Clinton Loses Partner

Continued from Page 1

downfall of Mr. Hosokawa deprives the United States of the main agent of change it was counting on to open Japanese markets, without the Clinton administration having to resort to punitive sanctions that could destabilize the political relationship between the two countries.

The one good thing that administration officials know they have going for them with Japan is that the currency speculators have kept the value of the yen very high against

the dollar. That makes all of Japan's exports more expensive, which squeezes Japan's export-oriented business community. American officials hope they, in turn, will squeeze the next Japanese government to agree to a market-opening arrangement with the United States that would ease the upward pressure on the yen.

Rock Musician Commits Suicide

The Associated Press

SEATTLE — Kurt Cobain, 28, a singer-songwriter whose band Nirvana pioneered the style of rock music known as "grunge," was found dead Friday in his home of an apparently self-inflicted gunshot wound.

Mr. Cobain's body was discovered by an electrician who went to the home Friday to do some work, the police said. A suicide note was found, they said. Family members said Mr. Cobain had been missing for six days.

Nirvana was known for the multimillion-selling 1991 album "Nevermind." Mr. Cobain had acknowledged past drug use and had been hospitalized last month in Rome after falling into a coma due to drug and alcohol use.

U.K. Major Wins Case Over Pregnancy Firing

Agence France-Press

GLASGOW — A major in the British Army who was forced to resign when she became pregnant won record compensation of nearly £300,000 (\$450,000) here Friday. An industrial tribunal ruled Helen Homewood, 44, had been unfairly discriminated against when she was forced out after becoming pregnant in 1981. The panel said it was "crystal clear" that she was an exceptional officer and would have made the rank of colonel or brigadier by the year 2000 if she had not been discriminated against.

2 Dissidents Rearrested In China

By Lena H. Sun
Washington Post Service

BEIJING — The police detained another veteran pro-democracy activist Friday as visiting Prime Minister Edouard Balladur of France called for improved economic ties with China and refrained from commenting on human rights.

Police officers detained Xu Wenli, 50, at his Beijing home early Thursday, interrogated him overnight, then allowed him five minutes of freedom before taking him into custody again, his wife told reporters.

[Another dissident, Wang Fucheng, secretary-general of the Chinese Human Rights Association, was detained Friday in Shanghai, hours before Mr. Balladur's arrival, Agence France-Press reported.]

The detention of Mr. Xu comes a week after the authorities rearrested the country's best-known dissident, Wei Jingsheng. The men are contemporaries who edited underground journals promoting democratic reform during the Democracy Wall Movement of 1978-1979.

Mr. Xu served nearly 15 years in prison before his release last September. Mr. Xu, considered one of China's more moderate dissidents, was released last May after 12 years in solitary confinement.

When Western journalists tried to find out from Mr. Xu's wife, Kang Tong, why he had been detained, one of the many policemen nearby dragged her away with his hand clamped over her mouth, according to David Schlesinger, a Reuters reporter who was present. The journalists were accused of breaking the law and questioned for about 45 minutes before they were allowed to leave.

The detentions were expected to continue as China approaches the most sensitive period in its political calendar, the June 4 anniversary of the Tiananmen Square crackdown. At a press conference, the French prime minister, who had come to improve relations with Beijing, was asked four times to comment on the detention of the two dissidents. He declined.

"I do not wish to add anything on the subject, having said in private what I wished to say," he said. A Foreign Ministry spokesman, Wu Jianmin, said later that Mr. Balladur's meetings with President Jiang Zemin and Prime Minister Li Peng included no discussion of either Mr. Xu or Mr. Wei.

Mr. Wu also criticized the United States as the only country that continues to link China's trade privileges with human rights. Mr. Balladur said France's goal was to raise its profile in Asia and that increased trade with China was a central element. France is trying to improve ties after nearly 18 months of chilly relations because of its sales of Mirage fighters to Taiwan.

In an indication of improving ties, Mr. Li told Mr. Balladur that China planned to import \$1 trillion worth of goods from foreign countries in the next seven years to meet the demands of the world's fastest growing economy, and that France may get some of this expanded trade, the official China Daily reported. But Mr. Li noted that competition was fierce and that French companies "will have to sharpen their edge," he was quoted as telling Mr. Balladur.

Kremlin Aide Says Russia Would Help Pyongyang

Reuters

NEW DELHI — A senior Russian official said Friday that Moscow would be bound by treaty to help North Korea if it were attacked without provocation.

"We have informed North Koreans as well as South Koreans and the United States, that Russia, as country which is a legitimate successor of the Soviet Union, is carrying obligations from treaties which are still in force," said Deputy Foreign Minister Alexander Panov, a former ambassador to Seoul.

"It is natural that if we say tomorrow that we will not follow our

obligations taken from the Soviet Union, there will be mess," Mr. Panov said. "Russia will always help North Korea if North Korea is unprovokedly attacked. This we say by ourselves. This is our own decision, it will be taken according to our legislation, our constitution."

The UN Security Council, including Russia and China, last week issued a mildly worded statement calling on North Korea to allow unhampered inspections by the International Atomic Energy Agency, or IAEA, to verify that North Korean nuclear installations

were being used only for peaceful purposes.

On Friday, Mr. Panov pushed the idea of an international conference to resolve the issue.

"We see bilateral efforts by the U.S., IAEA, by South Korea didn't bring us any results, except getting us into a vicious circle by creating heavy tensions in the Korean Peninsula," he said. "So, to find a way out of this, we have proposed an international conference by six countries and representatives of the United Nations and the IAEA."

A U.S. defense official said

Thursday that Pyongyang was prepared to move quickly in a suspected program to build nuclear weapons.

"They are poised to leap forward," said Assistant Defense Secretary Ashton Carter of Pyongyang's recent expansion of its capacity to make plutonium for nuclear arms. He said North Korea was not yet producing such material.

In a North Korean news dispatch monitored in Tokyo, a ranking North Korean officer evoked the danger of war.

"The tense situation in which a war may break out at any time has been created in our country owing to the vicious anti-Socialist, anti-DPRK campaigns of the imperialists and other international reactionary forces," said Vice Marshal Choe Kwang, DPRK, or the Democratic People's Republic of Korea, refers to North Korea.

Marshal Choe made the remarks at a meeting in Pyongyang to mark the first anniversary of Kim Jong Il's appointment as national defense chief, according to the official press agency, KCNA, monitored in Tokyo.

Washington & World Business

THE OUTLOOK FOR GLOBAL PARTNERSHIP
WASHINGTON, D.C. APRIL 21-22, 1994

April 20

■ Ronald H. Brown U.S. Secretary of Commerce, will be our guest speaker at the opening dinner to be held at the Corcoran Gallery of Art.

April 21

A FOREIGN POLICY FRAMEWORK FOR THE POST COLD WAR ERA
■ Warren M. Christopher U.S. Secretary of State
A REPUBLICAN RESPONSE
■ Senator Malcolm Wallop R., Wyoming
BEYOND THE URUGUAY ROUND
■ Ambassador Rufus Yerxa Deputy U.S. Trade Representative
AMERICA'S GLOBAL TRADE OBJECTIVES: STRUGGLING TOWARDS EQUITY
■ Senator Max Baucus D., Montana
THE CLINTON ADMINISTRATION: SUCCESSES & SETBACKS
■ Senator Nancy Landon Kassebaum R., Kansas
THE CHANGING U.S. FINANCIAL SERVICES SECTOR
■ Robert D. Hormats Vice Chairman, Goldman Sachs International

THE INTERNATIONAL TELECOMMUNICATIONS RACE & THE AMERICAN INFORMATION SUPERHIGHWAY
■ Larry Irving Assistant Secretary for Communications & Information, U.S. Department of Commerce
■ Gerald H. Taylor Executive Vice President, MCI Communications Services
EXPANDING BUSINESS OPPORTUNITIES IN THE MIDDLE EAST
■ Arnon Neubach Economic Minister, Embassy of Israel, U.S.A.
■ Sari Nusseibeh Fellow, Woodrow Wilson Center, Washington, D.C.
■ Toni Verstandig Deputy Assistant Secretary, U.S. Department of State
■ Moshe Wertheim President, Israel-American Chamber of Commerce & Industry
THE CHANGING BUSINESS ENVIRONMENT IN CENTRAL & EASTERN EUROPE
■ John Baitay European Counsel, Shearman & Sterling, Budapest
■ Marcelo Selowsky Chief Economist for Europe & Central Asia, The World Bank
■ Frank Vargo Deputy Assistant Secretary, U.S. Department of Commerce
HEALTH CARE REFORM: THE IMPLICATIONS FOR BUSINESS
■ Gregory Lawler Head of the Health Care Campaign, The White House
■ Dana Priest Principal National Desk Reporter on Health Care Reform, The Washington Post
■ Tom A. Scully Partner, Patton, Boggs & Blow, Washington, D.C.
■ Donald Shriver Counsel, U.S. House of Representatives Committee on Energy and Commerce

April 22

THE ADMINISTRATION'S DOMESTIC ECONOMIC PROGRAM: IS IT ON TRACK?
■ Robert E. Rubin Assistant to the President for Economic Policy
AN OUTSIDER'S VIEW
■ Hobart Rowen Columnist, The Washington Post
THE INTERNATIONAL FINANCIAL INSTITUTIONS: ARE THEY DOING THEIR JOB?
■ H. Onno Ruding Vice Chairman, Citicorp/Citibank
U.S. ECONOMIC RELATIONS WITH EUROPE
■ Lawrence H. Summers U.S. Under Secretary of the Treasury for International Affairs
THE HEART OF THE MATTER: COMPETITIVENESS IN AMERICA, EUROPE & ASIA
■ Peter J. Neff President & Chief Executive Officer, Rhône-Poulenc Inc.
THE PRESIDENT'S ECONOMIC AGENDA
■ Roger C. Altman Deputy Secretary, Department of the Treasury

Conference Location

The Willard Inter-Continental Hotel,
1401 Pennsylvania Avenue N.W., Washington, D.C. 20004.
Tel: (1) 202 628 9100 Fax: (1) 202 637 7325
To reserve accommodation at a preferential rate, contact the reservations department at The Willard as soon as possible. Please notify the hotel that your reservation is in connection with the ECACC/HT conference.

Registration Information

The fee for the conference is US\$ 1,250. This includes the opening dinner on Wednesday, April 20, both lunches, the cocktail reception and all documentation. Fees are payable in advance and will be refunded less a US\$ 125 cancellation charge for any cancellation received in writing on or before April 14, after which time we regret there can be no refund.

Registration Form

To register for the conference, please complete the form below and send it to:
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Quakes Rattle East Romania

Reuters

BUCHAREST — Two medium-strength earthquakes rattled eastern Romania's Vrancea mountain region Friday, but no damage or casualties were reported.

DEATH NOTICE

FRANCES RUTH KELLER LEVINSON

Born 22 Feb. 1912, Moab, UT. Died 5 Apr. 1994, Ft Bragg, CA.

Children's book author, widow of Leonard Levinson, beloved sister of Elsie Keller, mother of Carol Levinson and Robin Sokol and grandmother of Sophia Sokol.

NEW YORK FASHION



On the runways in New York: left, Indian basket hat and tailored shirt by Byron Lars; scoop-front plaid dress for Donna Karan's DKNY collection.

A Rainbow Coalition

Futuristic Clothes for Urban Tribes

By Suzy Menkes
International Herald Tribune

NEW YORK — Models dancing to the beat of Afro-American drums, Cherokee Indian face-paint and futuristic clothes for urban tribes — who would have thought that New York fashion would go native?

The fall-winter shows — held for the second season under canvas — express the increasing embrace of American designers. The Council of Fashion Designers of America is mounting 59 presentations, 17 more than for spring, including an avant-garde film about accessory designers.

Significantly, the idea of American designers showing in Europe has turned into a two-way street. The German company Escada is showing in the Bryant Park tents behind the New York Public Library next Tuesday, joining the London-based companies of Ghost and Liza Bruce. Prada of Italy is staging a show Saturday and Gianni Versace is supposedly discussing a New York presentation next season.

American designers are not just thinking globally — they are also going back to their roots. The multiethnic spirit of New York is reflected in a rainbow coalition of designers and the wackiest opening shows — by Byron Lars and Todd Oldham — made spirited fun of ethnic diversity.

Imagine a fearsome African mask molded in bark-brown leather made into a street-smart back-pack; a fake-fur cape complete with (fake) claws and teeth; furry boots teetering on high heels; a hat made from a tribal basket, and two black models joined like Siamese twins by their dreadlock braids.

If Lars were not an African American, his takes on "The Jungle Book" would be labeled politically incorrect. But the designer made an upbeat show by giving a witty touch of the ethnic to well-cut clothes. They included curly coat dresses, fuzzy knits, brief velvet shorts and simple pantsuits that came in African colors from brown through saffron yellow and henna red. The finale of crinolines that were hiked up to reveal grass skirt pantaloons brought the house down.

Fake fur is a big story and Oldham made his models into snow bunnies from fashion's polar region. His Eskimo effects included a skirt shaped like a pom-pom (with matching ski hat), skating skirts (another hot story) and a finale of white fake fur over a glacier-blue velvet dress dripping icicle sequins.

Oldham also showed the polar extremes of skirt lengths: either the ultra short that is offering indecent exposure in New York's shows; or very long skinny dresses. They look hard to wear, except as dresses in plaid or fairisle knit or as citrus-colored velvet dresses at night. Oldham's shows run to a formula — wacky, a touch tacky, with a token drag queen, lots of splashy color and enough commercial clothes to keep the buyers happy. His sense of humor sees him through.

Irony is not a fashion commodity much traded on Seventh Avenue. And that is why Donna Karan's DKNY show — apart from bright, neoprene dresses for millennium dressing — did not quite come off.

First Karan went mad for plaid — brief skating-skirt

dresses (they also came long) that were fitted like a corset in the waist and did uplift things to the bosom. Then it was the coy schoolgirl look, all neckties, ankle socks and bar shoes. (Naughty schoolgirls got to hike their skirts over matching panties). Now for grown-ups, it's a new-length skirt stopping at the knee. Then a long-short combo — a sweeping military greatcoat over a brief skirt with a peeking net petticoat.

Something for everyone, you might say. Or, indeed, something from everywhere, for all these looks have been seen on other runways even if Karan gives them a spin of her own. Only the neoprene dresses with their bouncy shapes, rubbery surface and brilliant colors looked to the cyberspace future and captured the skyscraper modernity of New York.

Anne Klein is one of these fashion houses that American buyers rely on to come up with the goods. It looked as though Richard Tyler, in his second season as designer, had been told to think of the bottom line — but not the one in which the hemlines skim the buttocks. His show was quite nice, quite safe and resounded with signs of relief from store bosses who had thought from round one that Tyler might have been into risk-taking.

Instead, he sent out young curvy tailoring with shapely fitted jackets in sober colors like loden green and camel or quiet tweeds. Enlivening the classic jackets were bottom halves of shorts, pleated skirts and asymmetric hemlines. Tactile textures included a revival of the 1960s' Ultrasuede, fuzzy alpaca, velvets and funky furry boots that look like being the hottest cold weather item for next winter.

I was only a sliver of flesh that Christian Francis Roth revealed beneath thigh-high woolly stockings and the briefest of skirts — but it made for a saucy show. For the curve of the deneare was the focus of attention. Roth could claim to have done schoolgirl looks while other designers went into more mature styles. There is still something playful and innocent about his approach to dressing, with the models stepping out in short swingy coats and schoolgirl pleated skirts in a cheery mix of different plaids.

But what were the cheeky hemlines and visible underpants all about? Nobody believes that the schoolgirl slut is a look that will be walking the streets next winter. And if you imagined Roth's hemlines lengthened by a mile, the show did not seem to have much point.

"I don't think I will be wearing anything that short — this is as far as I am prepared to go," said Linda Trump, whose Versace skirt with its punk-pin decorated hemline stopped decorously at mid-thigh.

The reality check will come with New York's big name designers like Calvin Klein and Ralph Lauren, who show next week. Meanwhile, scores of minor designers are offering some options: well-behaved outfits from Lauren Sara, who comes from Philadelphia and made dresses and suits to suit; simple clothes mixing unlikely textures like flannel and satin charmeuse from Mark Eissen; and Tracy Fratt's models in Cherokee makeup, mohair dresses and furry platform-soled boots, which proved that there is a fashion message in a little bit of fluff.

BOOKS

THE ALIENIST

By Caleb Carr. 492 pages. \$22. Random House.

Reviewed by John Katzenbach

IF hunting down and identifying a serial killer today, with all the modern techniques of forensic science and detection that are available, remains well-nigh impossible, imagine how difficult the search

would have been a hundred years ago. This delicious premise is the foundation for Caleb Carr's intriguing novel, "The Alienist."

The book is set in 1896 New York City. A depraved killer is preying upon young male prostitutes who work out of some of the seamy bordellos in lower Manhattan. The killer is capable of stomach-turning depravity, but his excesses have gone mostly unnoticed or ignored by both the police and the press. After all, his victims were all impoverished immigrant children, mutilated horribly.

Enter upon the scene the new, reform-minded police commissioner, young Theodore Roosevelt. Deeply troubled by the unsolved crimes but bucking the shifting tides of political intrigue, he establishes a clandestine investigative team.

headed up by his old (and fictional) Harvard classmate, the physician Laszlo Kreizler. Kreizler — it was some years before psychiatrists were no longer called "alienists" — is a pioneer in the nascent field of forensic psychology. It is his belief that by determining and comprehending the why of the killer, they can deduce his identity. Today the idea of profiling criminals and their behavior is accepted practice. A hundred years ago, it was unusual.

The tale of the investigative team's search for the killer is narrated by another of Roosevelt's Harvard friends, John Schuyler Moore, a slightly disolute crime reporter for The New York Times at the crossroads of his life. Moore joins with Kreizler, a woman, Sara Howard, who aspires to be more than a secretary and occasionally brushes aside large handbags to underscore this ambition; a pair of Jewish detectives, and several other lesser characters. As the team dissects each element of the horrific crimes, clues to the personality of the killer they seek become increasingly clear.

Slowly, but effectively, they piece together a portrait of the man they hunt, all set against the backdrop of turn-of-the-century New York.

Carr is a historian and an editor for Military History Quarterly. He uses his research capabilities almost to a fault. Period details abound on every page of the novel. People who actually existed — in addition to Roosevelt, J.P. Morgan, Lincoln Steffens, Jacob Riis and others — interact with the fictional characters. The landscape of New York, from immigrant slums to elegant mansions, permeates the novel.

ART

20th-Century Dutch Art: From Trees to Mondrian

By Michael Gibson
International Herald Tribune

PARIS — It is rather fascinating to discover a patron saint of international modernity like Piet Mondrian being displayed in a national rather than an international context. This reveals the tangible reality of his artistic development, rather than the abstract, vacuous idea that his art somehow developed in the manner of a mathematical equation.

The merit of a twofold exhibition devoted to Dutch art of the past hundred years at the Musée d'Art Moderne de la Ville de Paris is precisely to offer this unusual perspective.

The selection is inevitably partial and the overall effect would have been significantly different if the show had included such famous artists of Dutch origin as Kees van Dongen or Bram van Velde. But preference was rightly given to three dominant aspects of Dutch art: the unrelenting horizontality of the sea and landscape, the striving verticality of the trees, and the uniting interest Dutch artists over the centuries have taken in the human face.

The choice is judicious, and the unity is impressive. As a result, it can be thoroughly intriguing to consider all the assembled works by various artists as though one were watching a single image that was continually changing shape and color before one's eyes.

The drift of Mondrian's work naturally suggests this, as his horizontal beaches and vertical trees succeed one another, appearing to go through convulsions quite as strange as those of an amoeba under a microscope, gradually merging together in the tense, motionless vertical and horizontal black lines of all the later work.

Some critics have been inclined to explain the drift of Mondrian's work in terms of an austere Calvinist upbringing. But his move toward abstraction was perhaps even more motivated by his interest in the theosophical movement, which had numerous adepts among Dutch artists at that time. Mondrian sought such things as "higher knowledge" and an art that would be entirely spiritual and immaterial — ultimately, a substitute for religion.

Mondrian is also shown in the context of the de Stijl group, with Theo van Doesburg and Bart van der Leek — which allows for some interesting comparisons (Mondrian emerges as the more demanding artist).

The exhibition opens on a landscape by Jan Toorop, a seascapist by Mondrian and a portrait by van Gogh (the only work by him in the show).

Toorop was a peculiar and important figure of Dutch art of the day. Born in Java, his idiosyncratic Symbolist paintings are full of strange figures with long, thin arms — a reminiscence of the Javanese

Wayang puppet theater. His landscape, however, is a pointillist and atmospheric twilight scene.

The point of departure of most of these landscapes (and portraits) is the great Dutch tradition of scrupulous (sometimes boring) realism. So it is interesting to note how the tradition (the ritual) continues, while the interpretation gradually changes.

To Mondrian, for instance, the horizontal line was the feminine element, while the vertical was masculine. This leads to a quasi-mythic interpretation of his own work, by the artist, who in the act of artistic creation, sees himself as a bisexual being.

Other landscapes (in the section devoted to the first half of the century) are by Johann Thorn Prikker (also a Symbolist), Leo Gestel, the original colorist Jan Sluijters and Jakobus van Heemskerck.

The careful, realist portrait is also part of the grand Dutch tradition, and it is represented by such imposingly assertive figures as Charley Toorop (Jan's daughter), and Pyke Koch, whose brute-faced, thick-necked, heavy-breasted operator of a fairground shooting gallery is quite unforgettable.

Charley Toorop, who helped Mondrian when he was in need (she referred to him as "that delicate monk"), seems to be painting her face in a magnifying shaving mirror, defiantly stressing the asymmetrical bumps of her features in her unrelenting devotion to "truth."

MORE delicate — but equally truthful — self-portraits in a Dutch primitive vein were painted by such fine but short-lived and little-known artists as Jan Mankes (who died at the age of 31 in 1920) and Dick Ket (who died at 38 in 1940).

The singularity of all this work seems to rest broadly on a world view which might be described as Northern Protestant Realism. It is a pragmatic, no-nonsense view of things that one might expect from a nation of prudent traders. Significantly, both the Symbolist figures in this show (Jan Toorop and Johann Thorn Prikker) were influenced by the Catholic culture of France and Belgium (Toorop ultimately converted to Catholicism).

The commissioners of the two exhibitions were rather surprised to find that the contemporary one presented strong analogies with that of the earlier period. They had expected to find that famous rift that is the founding myth of modernism. Of course, the idiom is different, by landscape and portrait are dominant still.

Landscape is encountered in the work of Jan Dibbets who takes photographic views in color of, for instance, a beach, and makes rather spectacular (yet meticulous) photo-montages of them. Portraits are found in the work of Ger van Elk, Philip Akkerman and Marlene Dumas.

"La Beauté Exacte," to July 17, and "Du concept à l'image" (the contemporary show), to June 12.



Self-portrait of Charley Toorop, painted in 1932.

Kabakov and His 'Albums' of Disillusion

By Ken Shulman

HELSINKI — The sensation is not dissimilar — but not identical — to that of leafing through the pages of an illustrated children's book. Nor is it entirely unlike passing through one of the many corridors of paintings at an extensive monographic exhibition. Still, the atmosphere is unmistakable, one of truncated, shrouded dreams slowly being dissected in a merciless operating-room light. Here, among the sterile green-tile walls that the artist uses to frame his installations, the experience of Ilya Kabakov's "Albums" is one of anxious, futile adventure, a journey that begins in disillusionment and ends in the dissolution of consciousness.

Born in Dnepropetrovsk in Ukraine in 1933, Ilya Kabakov is the most important — and most widely recognized — artist in the Soviet conceptual movement. With the ingenious creation of his "album" installations, Kabakov invented a deceptively simple art form that reproduced important truths

about life in the Soviet Union and posed fundamental, existential questions about the precarious, muted condition of postmodern man.

"One could say that the entire history of modern art can be found in Kabakov's albums," writes the critic Boris Groys in the catalogue of the Kabakov show on at the Museum of Contemporary Art at Helsinki. "Kabakov defines the relationship between the work of art and the commentary that surrounds it. And, ironically, he has marked a return to the role of the artist as narrator."

Kabakov, who left the Soviet Union in 1987 and now divides his time among Paris, Moscow and New York, plays with the dialect between image and commentary. His albums combine illustration-quality drawings with a desultory, unfocused, understated narrative that is as funny as it is tragic. Produced on 72.5-by-35-centimeter (28.5-by-14-inch) sheets of white or gray cardboard and annotated with narrative, dialogue and commentary, Kabakov's albums tell the illustrated stories of 10 typical Moscow apartment dwellers. The albums were originally kept in boxes

and shown to groups of 10 to 12 persons in readings in the artist's apartment.

"The main characteristic of an album is the possibility of turning the pages," the artist said. "This creates anticipation, with an opening, a culmination, a finale and repetitions. Most of all, it is a home theater, but an old, open theater seen in full light in a town square."

THE visitor to the Helsinki show is led through a meandering row of framed pages where he is literally immersed in the lives of Kabakov's pallid, peripatetic characters. The nine installations on display all speak of a classic figure in Russian literature: the small man possessed by a big idea. The first album, "Sitting-in-the-Closet-Primakov," tells the story of a boy who views the world from the depths of a dark closet in which he has locked himself. In his sensory deprivation, his imagination gradually deteriorates until he is only able to envision printed words and not those things that the words are emblems of. In "Anna Petrovna Has a Dream," the

characters are reduced to numbered white circles on annotated diagrams that plot their positions as they make a social call, take tea and visit the seashore.

In highlighting the disparity between the official Soviet iconography and the reality of life under the Communist regime, Kabakov creates an enchanted but strangely joyless imaginary world. Ultimately, fantasy cannot lift the omnipresent leaden gloom that shrouds life in his "albums." In a world in which the only freedom is the freedom to dream, Kabakov's characters have lost their capacity to invent. The drab everyday reality that shrouds them does not provide their subconscious enough fodder for a satisfactory, cathartic fantasy. His work proclaims the victory of the mundane and inconclusive over the imagination.

The Kabakov show leaves Helsinki on April 20 and will reopen on Sept. 21 at the National Museum of Contemporary Art in Oslo, where it will remain through January 1995.

Ken Shulman is an American writer based in Italy.

Los Angeles Museum Gets New Manager

New York Times Service

NEW YORK — After more than a year and a half of negotiations, the controversial three-year-old Armand Hammer Museum of Art and Cultural Center in Los Angeles has agreed to be managed and partly financed by the University of California at Los Angeles.

The museum's \$60 million building was paid for by Hammer, the chairman of Occidental Petroleum Corp., until his death in 1990. Occidental provided the museum with a \$35 million endowment.

CROSSWORD

DO-IT-YOURSELF By Trip Payne

ACROSS	DOWN
1 Tramp's hideplace	1 Literary collic
2 Pass over	2 Benazir's father
3 Cutesy farewells	3 Little attire?
4 Get to the point?	4 All over again
5 Garment cut	5 Starts back at page one
6 Dieter's spread	6 Tap alternative
7 "Your papers — order"	7 Boy gets/loses/gets girl, e.g.
8 Bartender's stock	8 Prefix with gram or train
9 1982 Barry Levinson film	9 Just some
10 Bragg or Lee, e.g.	10 Puget Sound city
11 David Copperfield's mother	11 Woody's boy
12 Take the wrong way	12 Common office
13 Scam of a quip by stand-up comic Brian Kiley	13 They may be put on
14 Live	14 Grab
15 TV's "Hudson Street"	15 Gullywashers
16 Abner's partner	16 On the safe side
17 1969 Omar Sharif role	17 Galileo, for one
18 Poet's contradiction	18 Tied
19 Part 2 of the quip	19 Hand over
20 M.D.'s	20 Moves a muscle
21 Armada members	21 Loafers
22 Excludes	22 Football Hall of Fame locale
23 Dumas' "La Dame"	23 Mustard plant
24 Ear-related	24 Prendergast's school
25 Farmland unit	
26 Fortune profiles	
27 Martin's rival, once	
28 "Hogan's Heroes" setting	
61 Boat on the Seine	114 Royal George
63 Part 3 of the quip	116 Synagogue in Middle East
67 Liqueur word	117 Xanthippe
68 Election day	120 Part 6 of the quip
69 See 111-Across	124 From the U.S. of A.
71 Inaugurate	126 Just like
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74 Go to pieces	128 Fear of three
75 Critic Huxtable and others	John Wayne titles
76 One held in thrall	129 Draft-card issuer: Abbr.
77 Regular hangout	130 End of the quip
79 First name in fashion	138 Overrun
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John Katzenbach's fifth novel, "The Shadow Man," is scheduled for publication this year. He wrote this for The Washington Post.

Wealthy Saudi Tied To Fundamentalists Loses Citizenship

By Youssef M. Ibrahim

New York Times Service
PARIS — Saudi Arabia has taken the highly unusual step of stripping a scion of one of its wealthiest merchant families of his citizenship because he supports Muslim fundamentalist movements active in Arab countries.

Saudi newspapers quoted the authorities Friday as asserting that Usama bin Laden had been penalized "because of his irresponsible behavior that contradicts the interests of Saudi Arabia and harms sisterly countries." They also cited "his refusal to obey instructions issued to him."

A Saudi businessman said the decision had been coupled with a move to freeze Mr. bin Laden's extensive assets in Saudi Arabia, although he is believed to control millions of dollars in foreign bank accounts.

Mr. bin Laden has spent much of the past two years in Khartoum, the capital of the militant Islamic republic of Sudan, where he is a confidant and acknowledged financial backer of Sheikh Hassan al-Turabi, one of the leading figures among Islamic fundamentalists in the Middle East.

Operating from a large estate he owns there, Mr. bin Laden has participated in a number of public conferences of militant fundamentalist movements in Khartoum over the past four years. He has emerged with the overall image of a man placing his vast wealth at the disposal of militant Islamism, causes from Afghanistan to Algeria.

In the past year, several Western and Arab intelligence reports leaked to the media have linked him to the bankrolling of camps set up in Sudan by various groups of Arab Islamists to train militants.

The decision taken against Mr. bin Laden was seen as a signal to other less visible groups of Saudi millionaires and billionaires to cut their ties with militant Islamic groups in Egypt, Jordan, Tunisia and Algeria.

Financial backing for the militants by wealthy Saudis and other Gulf billionaires in Kuwait, Qatar and the United Arab Emirates frequently takes the guise of Islamic charity works, the building of mosques, or the starting of Islamic businesses that are used as channels to pump money into the militants' war chests.

Saudi Arabia has responded slowly to requests by Arab countries that have been targets of Islamic violence that it rein in its rich fundamentalists.

The Saudis took one step last year, however, requiring specific government permission before funds are collected inside Saudi Arabia for Islamic charity and imposing various controls.

A senior Egyptian official said: "It may be a beginning of the end of the sort of benign neglect observed by the Saudi government toward those funding terrorists. But they have to do a lot more to convince that they are serious."

The Saudi attitude toward the politicized radical Islamic movements active in almost every Arab country has been ambivalent at best. Saudi newspapers and media, all under some form of official control, have occasionally taken a sympathetic view of radical Muslim fundamentalist movements, presenting their struggle to take power as a somewhat legitimate quest.



COOL DAYS IN DELHI — Prime Minister P.V. Narasimha Rao gesturing as he spoke with Deputy Secretary of State Strobe Talbott and other U.S. officials in the Indian capital on Friday. An Indian official said that India rejected any role for the United States as a broker of peace in South Asia, asserting that Washington appeared to have a tilt toward New Delhi's foe, Pakistan.

GATT: U.S. and EU Near to Lowering Barriers on Public Procurement

Continued from Page 1

General Agreement on Tariffs and Trade. They are to meet on Tuesday in Marrakesh.

An official at the European Commission in Brussels said: "We are optimistic. It's fingers crossed." "I think it is do-able," said a U.S. official at the talks. "Both sides are working constructively and both sides want a deal."

Although the EU and the United States already are parties to the public procurement clause of the GATT agreement, this is mainly concerned with central government purchases of goods. If Sir Leon and Mr. Kantor achieve the expected agreement next week, the accord would be open for signature by a group of other governments who are taking part in the procurement negotiations. These include members of the Organization for Economic Cooperation and Development, Hong Kong, Israel, Singapore and South Korea.

The agreement, which is described by officials as "parallel to GATT," needs to be reached before April 15 in order to be presented to the U.S. Congress as part of the "fast track" trade approval mechanism. A U.S. official said it would open more than \$100 billion in annual procurement opportunities for European companies doing business in the United States and American concerns doing business in Europe.

The subject of government procurement was a major area of dispute between Brussels and Wash-

ington last year. The two sides reached a partial agreement that provides greater access to government contracts after the United States invoked sanctions against the EU.

The deal last spring called for a two-year bilateral arrangement; under it, neither side would discriminate against the other on a range of services and construction items.

The United States also said it would eliminate its Buy American rules from utilities such as the Tennessee Valley Authority and other federal electric power utilities in exchange for the EU doing the same in its electric utility market. The Union also dropped a rule giving European bidders on electric utilities a 3 percent price preference. The United States now wants this 3 percent rule dropped by other utilities.

Officials involved in the talks said Friday that Sir Leon and Mr. Kantor could extend their discussions into Wednesday if more time was needed to conclude the procurement accord. The two are also expected to discuss trade relations with Japan, the compromise reached this week on raising the issue of workers' rights and trade, and outstanding trade issues not contained in the Uruguay Round accord. Mr. Kantor also will hold trade talks with Japanese officials.

The Marrakesh meeting, to be attended by trade officials from 121 countries, will culminate in the

signing on April 15 of the Uruguay Round accord. The 500-page treaty, the largest trade agreement in history, is expected to add more than \$200 billion to the world economy. It will establish the World Trade Organization as the successor to GATT.

Aside from the controversial

subject of labor conditions, which was demanded by the United States and France, the government ministers meeting in Marrakesh are expected to raise a number of other new issues for discussion by the preparatory committee now planning the World Trade Organization.

RWANDA: Clergy and Aid Workers Are Executed

Continued from Page 1

quoted as telling news agencies in Brussels that armed men entered the Kigali offices of the Belgian and Netherlands branches of the organization and executed Rwandan employees in front of expatriate staff. Other reports said Rwandans working for Oxfam and Unicef were executed.

The killings of the relief workers and the Catholic clergy appeared to open a new phase in the carnage that began early Thursday with Presidential Guard units rounding up cabinet ministers and other political figures and their families. Some of those arrested were later executed.

Much of the fighting centered on rivalry between ethnic groups. The Hutu tribe forms the majority in both Rwanda and Burundi, but since independence from Belgium three decades ago the two countries have been repeatedly convulsed by ethnic fighting as the Hutus clashed with the minority Tutsi tribe.

In Rwanda, the Tutsis formed the Rwandan Patriotic Front that invaded the country from Uganda and after three years of guerrilla war forced Mr. Habyarimana into a series of concessions that included an unfulfilled promise to forge a new coalition government with the rebels. That agreement appears to have broken down, with reports of Presidential Guard units battling Patriotic Front guerrillas in the capital and thousands more guerrillas advancing on the city from the north.

"We have these rebels fighting the army now," said Cyprien Habimana, Rwanda's ambassador to

Kenya. He said one of the largest battles occurred overnight when a Patriotic Front battalion allowed in the city under a cease-fire agreement attacked a Presidential Guard garrison, apparently trying to "teach a lesson" to the guard following a day of looting.

The Rwanda airport, the site of the Wednesday night plane crash, remained closed Friday and under

the firm control of the Presidential Guard, and telephone communications with the capital were difficult. But reports reaching here from Kigali from diplomats, foreign aid workers and others — seemed to confirm the earliest worst fears of a city gone amok, with street fighting now continuous and roving bands of death squads conducting executions of perceived tribal enemies.

There were also reports from the French Foreign Ministry in Paris on Friday that in addition to the Belgians, UN peacekeepers from Ghana and Bangladesh had been slain.

France, Belgium and the United States were considering ways to evacuate their nationals from Rwanda, a task complicated by the fact that the Kigali International Airport remains in the hands of the Presidential Guard.

France placed its 8,000 troops scattered around Africa on high alert, in a sign that foreign intervention in Rwanda might be imminent.

Belgium has about 1,500 nationals in Rwanda not including the UN peacekeepers and France has about 600 nationals.

Meanwhile, Rwandan analysts said what exactly caused the president's jet to go down may never be known. Rwandan officials who had gathered at the airport to greet the president on his return reported seeing two explosions.

There was also speculation that the jet may have been shot down by the president's guards as part of a coup plot just as he was about to make peace with the Patriotic Front.

Embassy Urges Evacuation of All Americans

The Associated Press

WASHINGTON — The U.S. Embassy is shutting down in Rwanda and the State Department is looking for ways to evacuate the 250 Americans in the country.

The airport at Kigali is closed and the State Department wants to get all Americans out, administration officials said Friday.

In Burundi, the airport at Bujumbura remains open and most of the 400 U.S. citizens in the country are being urged to leave. Only a handful of essential U.S. government personnel are to remain, said the officials, who spoke on condition of anonymity.

A travel advisory said all private U.S. citizens, all U.S. government employees whose jobs are not essential and all dependents should leave.

LATIN: In South America, Old Foes Turn Into New Friends and Good Trading Partners

Continued from Page 1

United States and France, Latin leaders are discovering that their fastest growing trade is with their neighbors.

"Our trade with Paraguay is now greater than our trade with France," Celso Amorim, Brazil's foreign minister, said in an interview. "Our trade with Uruguay is now at the same level as our trade with Britain."

Brazil is negotiating the formation of a South American Free Trade Area, with 1995 to be the starting point.

"Following the North American example, we want to abolish tariffs on 80 percent of South America's regional trade over 10 years," Mr. Amorim said.

Greeted favorably by many South American nations, the Brazilian proposal capitalizes on forecasts that most trade within the continent will be duty-free by the end of the 1990s. Benefiting from Latin America's opening to outsiders, American business executives

have already converted the region into the world's fastest growing market for U.S. exports.

And it is easy to see how détente is smoothing national tensions.

With the advent of civilian rule in the three countries of the Southern Cone — Argentina, Brazil, and Chile — annual military spending has dropped by one-quarter, from \$4.9 billion in 1985 to \$3.7 billion in 1992, according to the International Institute for Strategic Studies.

Since 1990, trade between Argentina and Brazil has more than tripled, hitting \$6.3 billion last year and making Brazil Argentina's largest trading partner.

What kind of Argentine ships would Rio's shores blow out of Rio's harbor today? Certainly not oil tankers, now that Argentina is Brazil's second-largest source of imported oil after Saudi Arabia. Certainly not freighters loaded with wheat, now that Argentina supplies 75 percent of Brazil's imported wheat.

Regional trade is expected to continue to leap after Jan. 1, the day that four neighbors — Argentina, Brazil, Uruguay, and Paraguay — introduce tariff-free trading under a common market known as Mercosul. (In Spanish-speaking countries, the agreement is known as Mercosur.)

"The whole hypothesis of war between Argentina and Brazil has been junked," said Thomas A.

O'Keefe, president of Mercosul Consulting Group, a New York business consulting concern. "I don't think that anyone in the Argentine military or in the Brazilian military still sees the other as a potential threat."

In the last century, Brazil and Argentina built their railroads with different track gauges to prevent an enemy invasion by rail. Today, integration is the order of the day.

Brazilian engineers are drawing up plans for a 2,400-kilometer (1,500-mile) highway to speed products between São Paulo and Buenos Aires. This month, a Washington consulting firm, Louis Berger, started feasibility studies on one link, a \$1-billion, 50-kilometer bridge, joining Buenos Aires and Colonia, Uruguay. In March, the Inter-American Development Bank agreed to finance almost half of a \$718-million project to improve road and river links between Argentina and its neighbors.

By the end of this decade, Mercosul nations hope to complete the Hidrovia, a five-nation inland waterway that will allow barges to travel 3,470 kilometers down the Paraguay and Paraná Rivers, from eastern Bolivia to the South Atlantic. By next October, Brazil plans to inaugurate a separate system of river locks that will allow barges to travel 240 kilometers from Paraguay to São Paulo.

Spilling over national borders, 200,000 Brazilian farmers now

grow most of Paraguay's soy crop. An additional 10,000 Brazilian farmers have moved into eastern Bolivia. Brazilian investment is so heavy in the thinly populated interior of Uruguay that newspapers predict that Brazilians will own one-quarter of that nation's farmland by the end of the decade.

Nowhere is the improvement in relations in South America clearer than on the Chilean-Argentine border.

In 1977, with generals enconced in their presidential palaces, the two neighbors came to the brink of war over ownership of islands at South America's southern tip. Ten years of civilian rule in Argentina and five years of it in Chile have reworked the landscape. Since 1991, the year the countries settled 22 border disputes, trade has tripled, and Chilean investment in Argentina has jumped to \$2 billion from about \$100 million.

Construction started last year on a 1,200-kilometer pipeline to supply Santiago with natural gas from Argentina. This year, engineers are to begin studies on the building of a 23-kilometer electrified railroad tunnel through the Andes.

Elsewhere, countries that were once locked in arms races now discover that former enemies can be their best markets.

While many Peruvians nurse grudges with Chile over the loss of territory in the 1879 War of the Pacific, Peru's president, Alberto

Fujimori, has pursued a good neighbor policy, visiting Santiago five times in the last two years. Chile is now a major investor in Peru's privatization of state companies.

TALKS: Little Progress

Continued from Page 1

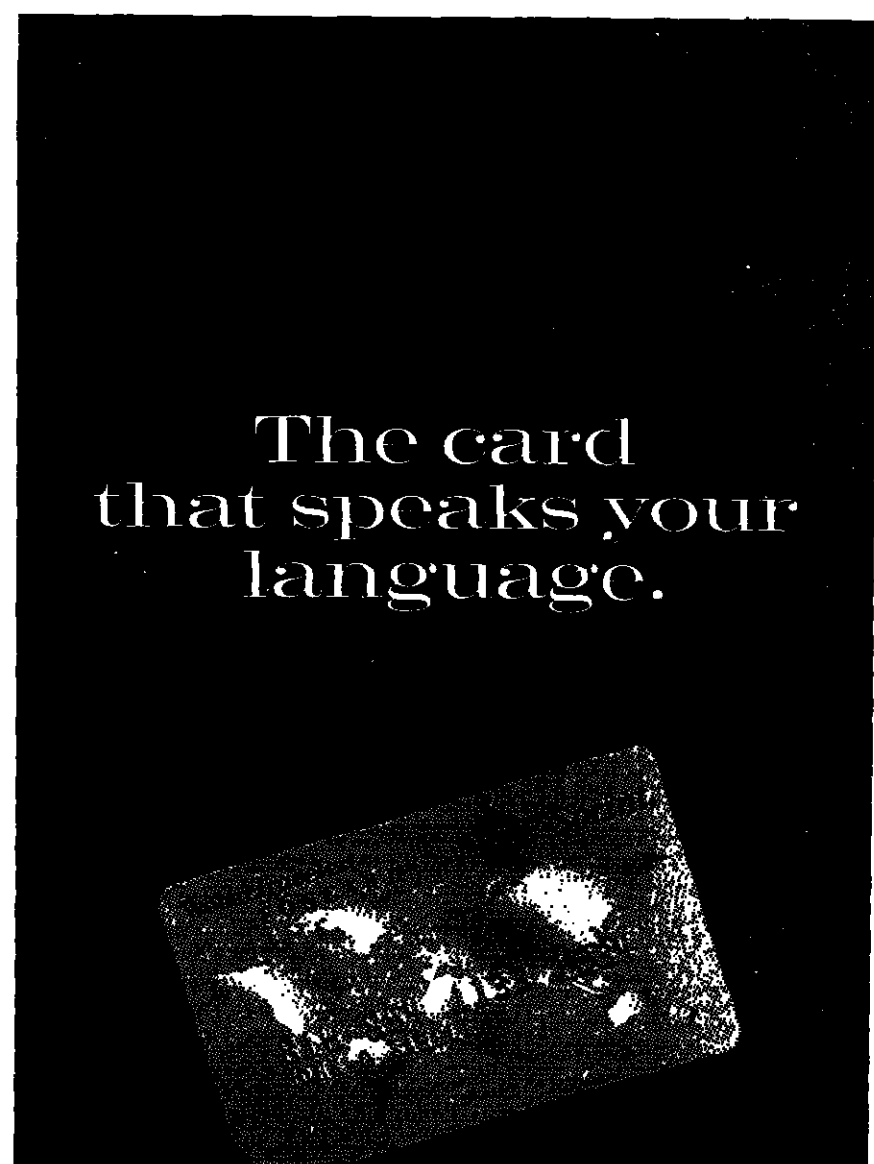
which is fighting a virtual civil war with the ANC.

In his comments, King Zwelithini accused the ANC of orchestrating "two direct and intolerable attacks on the Zulu nation and to any Zulu in South Africa: the Shell House massacre and the declaration of the state of emergency in KwaZulu with consequent military invasion."

King Zwelithini said he considered "the declaration of a state of emergency in KwaZulu to be an act of foreign aggression, an invasion of our territory and a rape of our national dignity and pride."

The king repeated his demand for sovereignty in KwaZulu-Natal, saying, "The only thing to talk about are the modalities of bringing the sovereignty of the Zulu Kingdom into full recognition."

So far, the KwaZulu administration has not cooperated in the election process. (Reuters, AFP)



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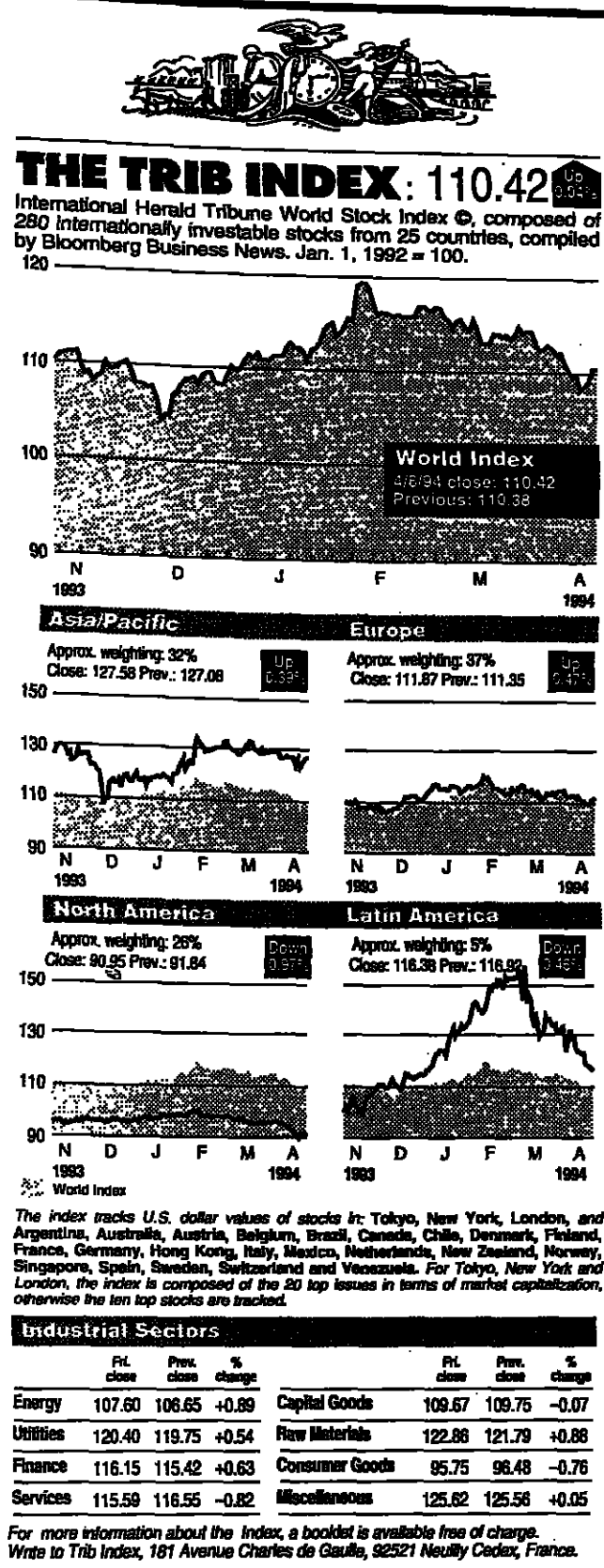
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BUSINESS

International Herald Tribune, Friday, April 9-10, 1994

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The Fed: A Central Bank in Flux

Greenspan's Role in Rate Decisions Is Diminished

By Louis Uchitelle

New York Times Service

NEW YORK — Without a vote or even a formal discussion, the Federal Reserve Board's top policymakers are taking over the process of raising and lowering interest rates rather than allowing their chairman, Alan Greenspan, to act on his own between Fed meetings, as he often has in the past.

Several Federal Reserve officials, speaking on condition of anonymity, described the new approach not as implying criticism of Mr. Greenspan but as a sign of a growing reluctance to delegate authority to any one person.

In fact, both of the Fed's recent moves to raise rates, in February and in March — the first increases in U.S. interest rates in five years — were decided by the policymakers as a group, in the face of faster economic growth and growing concern about inflation.

The new approach to decision-making has evolved through consensus, and while it has not been made formal, neither has Mr. Greenspan challenged it.

It comes partly in response to pressures from Congress for the Fed's policymakers to be more open and accountable for their actions.

"We are under enormous pressure from some quarters to stand up and be counted," one Federal Reserve official said, referring to congressional demands for more disclosure of Fed deliberations. "This change we are making may be a halfway house for taking on that accountability as a committee rather than individually, by making rate changes committee decisions."

But the president of the New York Federal Reserve Bank, William McDonough, on Friday dismissed the idea of a change as "non-

sense," and said Mr. Greenspan "continues to exert strong leadership" in the Fed's policy-making body, Reuters reported.

The Fed has said its job has become more difficult because the economy is behaving in ways that traditional statistics are failing to measure adequately.

"If our national indicators were more reliable, there would not be as great a need for a collective decision, and we would be delegating more authority to the chairman," said Harvey Rosenblum, director of research at the Federal Reserve Bank in Dallas.

Both of the Fed's recent rate increases were decided and implemented by the policymakers as a group.

In the past, the policymakers, collectively known as the Federal Open Market Committee, adopted directives that gave the chairman guidance. But actual changes in interest rates were almost always engineered by the Fed chairman in the six to eight weeks between each meeting.

He either acted on his own or after a telephone conference call with his colleagues, a practice that Wayne D. Angell, a Fed governor who resigned in February, described as less than satisfactory.

"It is difficult for the members to politely

disagree in a conference call the way they can at the meetings," said Mr. Angell, whose views sometimes clashed with Mr. Greenspan's.

The directives adopted at each meeting are called, in Fed jargon, "symmetric" or "asymmetric."

An asymmetric directive, toward higher rates or toward lower rates, would give Mr. Greenspan the green light to move in the indicated direction if he wished to do so, and a symmetric directive was effectively an instruction to leave interest rates alone.

Before the Fed's two recent moves, rate changes typically occurred in this fashion between meetings.

But, significantly, the policymakers voted at their meeting Feb. 4 to raise rates on that day. And instead of adopting an asymmetric directive to reflect their view that rates should be going up, they took the unusual step of adopting a symmetric one — in effect, telling Mr. Greenspan not to act between meetings.

Their next meeting, on March 22, produced another vote to push up rates on that day. Although the minutes of that closed-door meeting in March will not be published until May 20, the policymakers are likely to have adopted another symmetric directive — urging Mr. Greenspan to do nothing about interest rates until the next meeting, on May 17.

The new insistence on changing rates at meetings, not between them, has inevitably raised speculation that some members of the Open Market Committee were losing faith in Mr. Greenspan.

That policy-making group is made up of Mr. Greenspan and the six other Fed governors based in Washington, as well as the

See GREENSPAN, Page 10

Dresdner to Tap Foreign Investors For \$700 Million

By Brandon Mitchener

International Herald Tribune

FRANKFURT — In a bid to raise its profile among international investors and boost its share performance at home, Dresdner Bank AG said Friday that it would issue the equivalent of 3 million shares in a worldwide stock flotation that is expected to raise about 1.2 billion Deutsche marks (\$702 million).

The international offering is the biggest to date by a German bank and is particularly geared toward U.S. institutional investors. They are expected to snap up about a third of the total issue in a private placement that is not subject to U.S. financial disclosure regulations.

Dresdner Bank, which is Germany's second-largest commercial bank, also announced Friday that it was raising its dividend on common shares to 13.50 DM, up from 12 DM a year ago, and that its group operating profit after bad debt provisions had risen by 23.5 percent to 2.04 billion DM, in 1993. The result was better than widely expected by analysts.

The new share offering is rare in that it allows Dresdner Bank to exclude existing shareholders in order to place the shares exclusively among non-German investors.

Shares are to be offered immediately to funds and other institutional investors in New York, London, Tokyo, Paris, Amsterdam, Hong Kong and Zurich, with the allocation to each location depending on demand. Officials said an initial 700,000 shares are allocated for placement in the United States.

Jürgen Sarrazin, the bank's chairman, said there was "absolutely no question of a direct listing" on Wall Street, which would require Dresdner to adopt U.S. accounting standards. Only one German company, Daimler-Benz AG, lists and reports according to U.S. standards.

Dresdner Bank already has U.S. shareholders who hold American depositary receipts, which are traded over the counter in New York. But the new shares are intended to fall under a rule known as 144A that was adopted in 1990 by the Securities and Exchange Commission and

governs private placements among institutional investors.

Heino Ruland, an equity strategist at Nomura Research Institute Deutschland in Frankfurt, said the offering was a convenient way for Dresdner Bank to "kill two birds with one stone," raising its profile in the United States and elsewhere and raising cash on good terms.

"All German companies are trying to expand their shareholder base beyond Germany," Mr. Ruland said. Banks, he added, are particularly interested in international expansion because the local market for bank issues is exhausted.

Other analysts noted that Dresdner Bank has been unhappy with the performance of its shares in Germany. Its shares have underperformed the 30-share DAX stock index by 21 percent over the last 12 months and underperformed the stock of Deutsche Bank AG, its larger rival, by 6 percent.

Mr. Sarrazin said the shares would be issued at a price "very close" to the prevailing market price. Rights issues usually give existing shareholders a substantial discount.

Bank officials had no comment on the implications of the issue for Banque Nationale de Paris, which has said it wants to acquire a stake of as much as 10 percent in Dresdner.

Dresdner Bank shares closed Friday at 420 DM on the Frankfurt exchange, up 5 DM from Thursday, even though the issue might lead to lower earnings per share and dilute share value.

The rise in the stock price was attributed to the announcement of the dividend increase and 1993 results. UBS Phillips & Drew, which is part of the consortium that will place the new shares, raised its recommendation on Dresdner Bank on Friday from "sell" to a still cautious "hold."

Mr. Sarrazin said the bank's bad debt provisions, which include coverage for possible losses related to Metallgesellschaft AG, the troubled trading, metals and financial services company in which Dresdner owns a 14 percent stake, rose 47 percent last year, to 1.77 billion DM, he said.

Alcatel and Pirelli Seek a Stake in Stet

By Jacques Neher

International Herald Tribune

PARIS — Alcatel Alsthom, the French telecommunications, transportation and power systems group, said Friday that it had linked up with Pirelli SpA for the chance to buy a stake in Stet SpA, the Italian telephone company due to be privatized this year.

The alliance, analysts say, would aim to ensure that Telecom Italia, the new phone company it is to be called, would be a good customer for products sold by Alcatel and Pirelli, and it could pave the way for some joint ventures among subsidiaries.

Alcatel and Pirelli are the largest

and third-largest suppliers of cable in the world, and Alcatel is the biggest supplier of telephone switching and transmission equipment.

As a Telecom Italia shareholder, Alcatel also could advance its ambition to become not just a supplier of telecommunications equipment but a provider of services as well.

On Wednesday, Pierre Suard, Alcatel's chairman, said he was "very interested" in the Italian telecommunications market, despite being edged out a week earlier by Siemens AG of Germany for the role of foreign partner for Italtel, the equipment-manufacturing arm of Stet.

On Friday, Jean-Paul Chapou,

an Alcatel spokesman, said that Pirelli and Alcatel had "associated" to take a joint stake in Stet. "Pirelli approached us," the spokesman said.

He said he could not say how large a stake the two companies might buy, noting that a firm privatization date and terms of the sale had yet to be set.

Stet, with a market capitalization of about \$15 billion, is 50 percent owned by IRI, a state-run industrial holding company.

Analysts said Alcatel and Pirelli would need a stake of at least 5 percent to 6 percent to be considered a major or core shareholder. This would imply an investment of

close to \$900 million if all of the company were privatized at the current price for the 50 percent of it now traded on the stock market.

Neil Barton, an analyst with Merrill Lynch in London, said a larger stake in Stet, such as 10 to 20 percent, "would tie up a lot of money and still not give them control."

Pirelli, though heavily indebted, recently made a 1 trillion lire (\$607 million) convertible bond issue. Alcatel this week reported 1993 earnings of 7.1 billion French francs (\$1 billion), with its debt-to-equity ratio falling to 12 percent.

Analysts said the two companies would each gain something from

See TELECOM, Page 10

ECONOMIC SCENE

Sherwood Forest to the Rich?

By William E. Schmidt

New York Times Service

NOTTINGHAM, England — There isn't much left of Sherwood Forest, and what there is, Robin Hood would hardly recognize. Farmland, pasture, coal mines and urban sprawl have claimed most of the trees. Where there is greenwood — scattered pockets like islands adrift on the dull Midlands plain — it consists mostly of dense stands of Mediterranean pine, imported and planted by the government after World War I as a cash crop.

But while Sherwood Forest is only a thin wisp of its medieval past, when the thick, gnarled oaks and spindly birches offered sanctuary to the bandits and rebellious woodsmen who once harried the sheriff of Nottingham, its scattered remnants are at the heart of national debate over the future of Britain's public forest lands.

Prime Minister John Major's Conservative government is contemplating whether to turn over to private investors control of 4,555 square miles (11,270 square kilometers) of woodland and heath, nearly 5 percent of the nation's land area. The land is now managed by the Forestry Commission.

Proponents of free-market economics in the government argue that privatization of Britain's forests, like the earlier privatization of airlines and utilities, would draw fresh investment and help renew the moribund timber industry.

But a coalition of local government officials, conservationists and recreation enthusiasts has mounted a campaign, warning that selling these lands would sharply reduce public access to them.

"Now that the coal industry has collapsed, we view our forests as the heart of our country and the key to our future," said Gareth Broome, the forestry officer for Nottinghamshire. "We obviously don't want to see them fall into the hands of private owners more interested in profit than public access."

Few groups are as organized and vocal as Britain's vast army of hill-walkers, hikers and bird-watchers, who have a passionate attachment to what is left of the countryside. Walking is ritually listed in surveys as Britons' favorite outdoor activity.

Nearly all of Britain's undeveloped forest, coast and moorland is in the hands of private owners — landed families, mostly, who have controlled it for centuries.

Government officials insist that no decision has been made on the fate of the forest lands, and have

'Robin Hood and his colleagues would rise from the grave if they knew what this wicked government was doing.'

Paddy Tipping, Labor member of Parliament from Nottingham

promised to do whatever is necessary to insure public access. But they also concede that the land is less marketable if the government insists on attaching covenants guaranteeing public access.

According to a study published in February by the Ramblers' Association, a hikers' group that claims 95,000 members, nearly 85 percent of the 250,000 acres (100,000 hectares) of Forestry Commission lands sold to private owners since 1981 has since been closed to the public.

"Robin Hood and his colleagues would rise from the grave if they knew what this wicked

See FOREST, Page 11

Trading Profit Plummets at First Chicago

Bloomberg Business News

CHICAGO — First Chicago Corp. sent up a warning flare from the banking industry Friday when it said first-quarter trading results, until recently a profit-driver for many of the biggest U.S. banks, were awful.

The 11th-largest banking company in the United States said its "very negative trading results" were offset by more business lending, lower credit costs and investment gains.

As a result, the Chicago-based bank expects to report first-quarter earnings at or above the year-ago \$179.1 million, or \$1.79 a share. The stock rose 87.5 cents to close at \$50.625.

Other major banks are expected to report similar increases in loan volume when they announce their first-quarter earnings over the next two weeks.

But First Chicago's trading losses, particularly in developing country debt instruments, were the main preoccupation of analysts and money managers.

"It's clear that the money-center banks are very heavily dependent on trading profits," said Tom Garrecht, an analyst with East Shore Partners, a New York-based investment firm. "It's also clear that these banks have been hit hard — very hard — in the first quarter."

CURRENCY & INTEREST RATES

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MARKET DIARY

Rate Jitters Keep Wall Street on Edge

Compiled by Our Staff From Dispatches
NEW YORK — U.S. stocks dropped as interest rates rose amid concern that next week's inflation reports will encourage the Federal Reserve to push rates higher.

The Dow Jones industrial average closed 19.00 points lower at 3,674.26, wiping out Thursday's

U.S. Stocks

slight gain but leaving the market up comfortably for the week as a result of Tuesday's sharp gains.

The market was also undermined Friday by the end of a three-day rally in the bond markets amid concerns about possible rises in interest rates. The yield on the government's benchmark 30-year Treasury bond climbed as high as 7.29 percent and closed Friday at 7.26 percent, up from 7.21 percent on Thursday.

Computer-generated sell programs contributed to the decline in stock prices, according to Birinyi Associates, which tracked at least four such rounds of selling on Friday. Dealers said there was little fresh buying support, allowing the program selling to have a disproportionate effect.

New York Stock Exchange volume totaled 262.48 million shares, down from 287.75 million shares

on Thursday. Stocks that fell outnumbered those that rose by 2 to 1. Traders said that the reports on producer prices for March, due for release on Tuesday, and for consumer prices, which will appear on Wednesday, will be studied for hints of whether the Federal Reserve will soon raise rates again.

"The threat is there that if the reports show inflation rising, the Fed has another tightening move left in its six-shooter," said Joseph DeMarco, managing director for equity trading at HSBC Asset Management.

Declines in Caterpillar Inc. off 1 1/4 at 117 1/4, Aluminum Co. of America, down 1 at 71 1/4, and General Motors Corp. off 2 1/4 at 57 1/4, pushed down the Dow Jones average as much as 38.01 points in the course of the session.

Tobacco company shares fell after National Public Radio reported that five of the 13 secret cigarette ingredients banned from food by the U.S. Food and Drug Administration are classified as hazardous substances. Philip Morris Cos. Inc. stock fell 1 1/4 to 49 1/4 and RJR Nabisco Holdings Corp. fell 1/4 to 6 1/4.

The Nasdaq Composite index fell 6.46 points to 748.71 as technology stocks such as Microsoft Corp. down 2 1/4 to 87, lost strength. A monthly report on semiconductor orders is due on Monday.

(Bloomberg, AP, AFX)

Hosokawa Resignation Leaves Yen Unscathed

Compiled by Our Staff From Dispatches
NEW YORK — The dollar gained marginally against the yen on Friday in spite of the resignation of Japan's prime minister, Morihiro Hosokawa, but failed to hold onto Thursday's strong gains against European currencies.

The dollar ended at 105.25 yen on Friday, up slightly from a close

Foreign Exchange

at 104.90 on Thursday, but slipped to 1.7125 Deutsche marks from 1.7170 DM.

Against other currencies, the dollar closed at 1.4454 Swiss francs, down from a close on Thursday of 1.4473, and fell to 5.8655 French francs from 5.8770 francs. The pound rose to \$1.4768 from \$1.4730.

Dealers said that the yen remained under pressure against most major currencies but comfortably absorbed most of the selling after the Hosokawa announcement.

"It seems that Japan changes governments every other day," said Tim Cunningham, a trader at

American Express Bank. "People are getting used to this thing."

Greg Jones, a MMS International analyst, said that the minimal impact on the yen was "a testament to the underlying trend that remains in its favor." He said that the dollar might rise as high as 106.50 yen but that Japanese exporters would be likely to sell into such strength and moderate any further dollar rise.

U.S.-Japanese trade has been the focus for currency traders since early last year, when members of the Clinton administration said a strong yen would reduce Japan's trade surplus.

Trade talks won't move any faster as a result of Hosokawa's resignation," said Tom Benfer, foreign exchange director at the Bank of Montreal.

Dealers said that the dollar's recent gains against other leading currencies were also vulnerable and that investors might sell the dollar if it fails for a third time to break through the key barrier of 1.7250 DM. Some analysts said it could fall back to test chart support at 1.7020 DM.

(Bloomberg, AFX)



NYSE Most Actives

Vol.	High	Low	Last	Chg.
Chrysler	3200	31 1/2	31 1/2	-1/4
Alcoa	3000	31 1/2	31 1/2	-1/4
General Motors	3000	57 1/4	57 1/4	-2 1/4
IBM	3000	87 1/4	87 1/4	-2 1/4
Microsoft	3000	87 1/4	87 1/4	-2 1/4
Oracle	3000	87 1/4	87 1/4	-2 1/4
Sun Microsystems	3000	87 1/4	87 1/4	-2 1/4
Veritas	3000	87 1/4	87 1/4	-2 1/4
Wang	3000	87 1/4	87 1/4	-2 1/4
WorldCom	3000	87 1/4	87 1/4	-2 1/4

NASDAQ Most Actives

Vol.	High	Low	Last	Chg.
Microsoft	3000	87 1/4	87 1/4	-2 1/4
Oracle	3000	87 1/4	87 1/4	-2 1/4
Sun Microsystems	3000	87 1/4	87 1/4	-2 1/4
Veritas	3000	87 1/4	87 1/4	-2 1/4
Wang	3000	87 1/4	87 1/4	-2 1/4
WorldCom	3000	87 1/4	87 1/4	-2 1/4
Amgen	3000	87 1/4	87 1/4	-2 1/4
Boehringer	3000	87 1/4	87 1/4	-2 1/4
Boeing	3000	87 1/4	87 1/4	-2 1/4
Boji	3000	87 1/4	87 1/4	-2 1/4

AMEX Most Actives

Vol.	High	Low	Last	Chg.
Goldman Sachs	3000	87 1/4	87 1/4	-2 1/4
JP Morgan Chase	3000	87 1/4	87 1/4	-2 1/4
Bank of America	3000	87 1/4	87 1/4	-2 1/4
Citigroup	3000	87 1/4	87 1/4	-2 1/4
Wells Fargo	3000	87 1/4	87 1/4	-2 1/4
Bank One	3000	87 1/4	87 1/4	-2 1/4
First Union	3000	87 1/4	87 1/4	-2 1/4
Bank of New York	3000	87 1/4	87 1/4	-2 1/4
Bank of Montreal	3000	87 1/4	87 1/4	-2 1/4
Bank of Toronto	3000	87 1/4	87 1/4	-2 1/4

Market Sales

NYSE	Vol.	High	Low	Last	Chg.
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4

Dow Jones Averages

Open	High	Low	Last	Chg.
Dow Jones	3674.26	3674.26	3674.26	-19.00
S&P 500	105.25	105.25	105.25	-0.10
Nasdaq	748.71	748.71	748.71	-6.46
AMEX	100.00	100.00	100.00	-0.05

Standard & Poor's Indexes

High	Low	Close	Chg.
Industrials	322.20	322.20	-1.27
Utilities	155.40	155.40	-0.10
Technology	155.40	155.40	-0.10
SP 500	105.25	105.25	-0.10
SP 100	112.10	112.10	-0.05

NYSE Indexes

High	Low	Close	Chg.
Composite	322.20	322.20	-1.27
Industrials	155.40	155.40	-0.10
Utilities	155.40	155.40	-0.10
Technology	155.40	155.40	-0.10

NASDAQ Indexes

High	Low	Close	Chg.
Composite	748.71	748.71	-6.46
Industrials	155.40	155.40	-0.10
Utilities	155.40	155.40	-0.10
Technology	155.40	155.40	-0.10

AMEX Stock Index

High	Low	Close	Chg.
AMEX	100.00	100.00	-0.05
AMEX	100.00	100.00	-0.05
AMEX	100.00	100.00	-0.05
AMEX	100.00	100.00	-0.05

Dow Jones Bond Averages

Open	High	Low	Last	Chg.
10 Year	105.25	105.25	105.25	-0.10
30 Year	105.25	105.25	105.25	-0.10
1 Year	105.25	105.25	105.25	-0.10
6 Month	105.25	105.25	105.25	-0.10

NASDAQ Diary

Open	High	Low	Last	Chg.
Advanced	1200	1200	1200	-0.05
Declined	1200	1200	1200	-0.05
Unchanged	1200	1200	1200	-0.05
Total Issues	1200	1200	1200	-0.05

Spot Commodities

Commodity	Today	Prev.
Crude Oil	22.50	22.50
Gold	380.00	380.00
Silver	16.00	16.00
Copper	1.50	1.50
Aluminum	0.50	0.50
Zinc	0.50	0.50

Market Sales

NYSE	Vol.	High	Low	Last	Chg.
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4
NYSE	3000	87 1/4	87 1/4	87 1/4	-2 1/4

GREENSPAN: Fed Officials Take Some of Chief's Rate-Setting Powers

Continued from Page 9

The press office at Federal Reserve headquarters in Washington, asked for comment from Mr. Greenspan, did not provide any.

Whatever the reason for it, the new practice is more in line with central bank practices elsewhere. In Germany, for example, the Bundesbank sets its interest rates when its members meet every other week. Under the Fed's new procedure, if no rate change comes forth, the public and the credit markets could assume that none would take

place until the next meeting, six or eight weeks away, unless an emergency arose.

Speaking mostly off the record, several policymakers said in interviews that there were no formal rules to prevent Mr. Greenspan from acting between meetings.

They dismissed as unfounded speculation that they were seeking greater control over policy or feared that Mr. Greenspan had grown too close to President Bill

Clinton and might be reluctant to push up interest rates.

There has been friction in the past between Mr. Greenspan and some regional bank presidents. Some of it dates from the spring of 1991, when the U.S. economy was weak and the Fed was pushing rates down to encourage borrowing and spending.

More than once around that time, Mr. Greenspan lowered rates on his own, without consulting the regional bank presidents.

Economic Growth 'Running Near 5%'

WASHINGTON (Bloomberg) — The U.S. economy's growth rate will approach a robust 5 percent during the current quarter, the Conference Board, a business research group, said Friday.

For the year, the economy should expand by 4.2 percent, up from a 3 percent rise last year; that will be followed by a 4.4 percent increase in 1995, according to the economic forecast of the New York-based group, which is funded by large corporations. The inflation rate should hold steady at 2.7 percent this year and then rise to 3.7 percent in 1995, the group said.

The economy grew at a 7 percent rate in the last three months of 1993, the strongest quarterly showing in a decade. Most economists doubt that such a big gain will be repeated anytime soon.

Ford Set to Name Buyer for Thrift

DETROIT (Bloomberg) — Ford Motor Co. is expected to announce next week the sale of its unprofitable First National Financial Corp. to one of three bidders, sources close to the negotiations said Friday.

Ford, which has been trying to sell the San Francisco-based thrift since November, will decide by mid-July which of the three bidders it will accept, the sources said. First Nationalwide has about \$16 billion in assets, but has suffered \$199.4 million in losses since 1990, including a \$55 million loss in 1993, and has more than \$1 billion in delinquent loans.

Last month, The Washington Post identified one of the bidders as Gerald J. Ford, an investor who heads Madison Financial Inc. of Dallas. Also bidding for First Nationalwide is Great Western Financial Corp., a Los Angeles-based thrift that is one of the nation's largest. Golden West Financial, based in Oakland, California, also made an offer. All three bids are believed to be about \$1 billion.

Higher Sales Push Up Abbott Profit

NORTH CHICAGO, Illinois (AP) — Abbott Laboratories said its first-quarter profit had risen 6 percent, largely due to increased domestic sales and stronger sales of drugs and nutritional products.

Abbott reported net income of \$366.2 million, or 45 cents per share, for the three months that ended March 31, compared with \$345.5 million, or 41 cents a share, in 1993. Sales rose 8.3 percent to \$2.22 billion from \$2.05 billion, Abbott said.

Sales of pharmaceutical and nutritional products rose 13.1 percent to \$1.2 billion, Abbott said. Domestic sales climbed 10.2 percent to \$1.4 billion. Abbott's nutritional products include Advant, a product for people with AIDS or infected with HIV, the virus that causes AIDS.

Lukens Sees Loss Linked to Weather

COATESVILLE, Pennsylvania (Bloomberg) — Lukens Inc. said Friday that it expected to report a first-quarter loss of 20 to 25 cents a share because severe winter weather had impaired steel production and delayed shipments. Some analysts had expected a profit.

Lukens, the leading North American producer of alloy plate and a major producer of stainless steel products, said record snow and cold had cut the company's 60 million. Higher capital improvement costs and the soaring price of scrap steel, which Lukens buys and transforms into products, contributed to the loss, said R. W. Van Sant, chairman and chief executive.

But he said Lukens expected the second quarter to be an improvement, because productivity had rebounded, its backlog of orders was "rapidly rising" and the company pushed through price increases for its products. Excluding charges, Lukens earned 39 cents a share in the first quarter of 1993. Its net loss after charges was \$59.7 million, or \$4.07 a share.

For the Record

Canada's jobless rate fell half a point in March, to 10.6 percent, its lowest level in more than two years, the government reported. (APF)

Chase Manhattan Corp. said that it had agreed to purchase an equity stake in New York's only minority-owned bank, New York National Bank. (Bloomberg)

TELECOM: 2 Seek Stake in Stet

Continued from Page 9

investing together. For Pirelli, teaming with Alcatel would show IRI officials and the European Commission "that it's not trying to freeze out its competitor" in cables, said Philip Ayton, who follows Pirelli for Barclays de Zoete-Wedell in London.

For Alcatel, Mr. Barton said, linking with Pirelli "would give it an Italian flavor" from the perspective of the Italian government, which regards the phone company as a national strategic asset.

On an operational level, such an investment could lead to Pirelli forming a venture with, or absorbing, Stet, a subsidiary that specializes in cable installation.

Alcatel is increasingly showing its interest in becoming a provider of telecommunications services, though Mr. Suard has said he would not move in that direction if it would turn Alcatel into a competitor of its customers.

WORLD STOCK MARKETS

Agence France Presse April 8

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Strike Halts Banking And Insurance in India

BOMBAY — A one-day strike by 1.5 million workers paralyzed India's banking and insurance industries Friday, and the employees vowed to intensify the protests unless the government agreed not to privatize state-sector banks.

The strike, the fourth in the last 12 months, was part of increasing pressure from opposition parties and labor unions against the government's market-oriented economic reform plan, which was initiated in July 1991.

The plan aims to dismantle decades-old socialist policies and open the Indian economy to international competition. The reforms seek to increase competition for the nationalized and overstaffed banks by closing some branches and setting up private banks. The plan also is to open the insurance business to private companies.

"If the government remains silent after today, we will again go on a strike for two more days next month," D. P. Chaudhary, president of the All-India Bank Employees Association, told 3,000 demonstrators at a rally in Bombay. "After that, the country's financial sector

could come to a grinding halt for an indefinite period."

The walkout specifically targeted the state banks, but it also closed India's many foreign banks because they couldn't do business with the Reserve Bank of India, the central bank. Mutual funds and other public financial services were affected, too.

On Friday, checks worth more than 10 billion rupees (\$318 million) remained uncashed because of the strike, which was called by more than 20 unions.

Businesses said they could incur huge losses because of the strike. "The losses could amount to a few billion rupees," said a spokesman for the Indian Banks' Association. "If banks are allowed to be privatized, many of us will be losing our jobs as we will be employees of a select group of industrialists, and we do not like that," a leader of the employees' group said. "We shall not stop our agitation."

But the chairman of the banks' group, J. V. Shetty, said that the banks were not being privatized. "The government will retain control of the banks and only those banks which have a healthy balance sheet can raise funds from the market," he said.

He also said only 100 of the 46,000 bank branches would be re-privatized.

But bank employees long used to working in a protected environment with socialist-style policies, under which 21 banks were nationalized in 1969 and 1978, fear a loss of jobs under the changes.

A committee headed by an ex-governor of the central bank recommended to the government earlier this year that foreign companies be allowed to enter the state-run insurance sector.

India began the economic reform plan in 1991 after it came close to defaulting on its external borrowing. India's foreign exchange reserves have since risen dramatically, to over \$19 billion from a low of \$2.23 billion in March 1991.

Senior bankers say overstaffing and lack of accountability were among the prime causes of huge bank losses in the last two decades.

Under the reforms, the banks will have to raise their capital bases to international standards and face more competition. India has authorized seven private-sector banks to be set up as part of the program.

(Reuters, AP, AFP)

Gingerly, Laos Moves Toward Market Reform

Agence France Presse

VIENTIANE — Laos, isolated in recent years, is slowly embracing a market economy even though it remains wary of developing a multiparty political system.

"Our goal is to become completely self-sufficient while welcoming foreign enterprises," Deputy Prime Minister Khamphoui Keoboula said, president of the committee for planning and cooperation, said Mr. Khamphoui is in charge of economic reform.

The authorities recently abolished passes for Laotians and foreigners traveling in the country's interior. Laotians who had fled the revolution in 1975 are also discreetly returning and beginning to recover assets and homes.

"We want to strengthen the national economy, which will allow the population to produce more, especially in the rural areas," Mr. Khamphoui Keoboula said.

Since 1989, inflation has fallen from 85 percent to 7 percent, while gross domestic product has risen.

Laos has adopted a particularly liberal foreign investment code, and has reformed its tax system and public finances.

Agriculture, forestry, mining, communications and hydroelectric power have been earmarked for development by the government.

Mr. Khamphoui Keoboula said that the three pillars of the country's future were "political security, public order and economic stability."

But the regime, fearful of what happened in the former Soviet Union, has no intention of moving toward a multiparty system or democracy, according to diplomatic circles in Vientiane.

They also say that the government recognizes and fears the negative aspects of a market economy.

"The standard of living has improved in the plains, but conditions remain difficult in the mountainous areas," the deputy prime minister said. These regions are populated by ethnic minorities who often rebel against the government.

Some leaders are also worried about the danger of growing Thai influence.

Thailand, a neighboring country and the first to profit from the Lao shift to a more open economy, invested \$61.15 million in Laos in 1993, far more than either China or Australia have invested. That funds have accounted for more than 50 percent of the capital injected into Laos since 1988.

Thailand is the primary trade partner of Laos and imports 70 percent of Laoian hydroelectric power.

Ahmad Of Maybank To Head Bank Negara

Compiled by Our Staff From Dispatches

KUALA LUMPUR — Malaysia appointed Ahmad Mohd Don as its central bank governor Friday, succeeding Jaffar Hussein, who resigned last week to take responsibility for two years of big losses in foreign currency trading.

Deputy Finance Minister Anwar Ibrahim said Mr. Ahmad, 47, the managing director of Malaysian Banking Bhd., Malaysia's largest commercial bank, would take over May 1 for a three-year term as governor of Bank Negara.

Mr. Jaffar had been governor since 1985. Mr. Ahmad, a U.K.-trained chartered accountant, joined Malaysian Banking in 1982 as general manager of its treasury operations.

On Thursday, Mr. Anwar said a central bank adviser who headed the bank's foreign-exchange department also had resigned. The adviser, Nor Mohamed Yakcop, is to be replaced by Abdul Murad Khalid, the head of the banking department.

Mr. Jaffar resigned March 31 after the bank disclosed a loss of 5.7 billion ringgit (\$2 billion) on foreign-exchange dealings in 1993, which followed a loss of 9.3 billion ringgit on currency dealings in 1992.

The bank said it would limit its foreign-exchange transactions, for the time being, to spot trading to manage its international reserves, rather than engage in more risky futures trading.

Malaysia's parliamentary opposition is demanding a special investigation of the losses and demanding to know who in the government allowed the central bank to aggressively speculate in currency markets with the nation's foreign-exchange reserves.

Mr. Anwar, who is also finance minister, denied this week that he had any role in the losses. He said he had been told 18 months ago that Bank Negara was losing money in the currency markets and had ordered the bank then to stop trading in forward contracts.

(AFP, Reuters, Knight-Ridder)

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Very briefly:

- Nippon Paper Industries Co. and Marubeni Corp. set up a venture with PT Barito Pacific Timber and President Suharto's daughter to build a \$1 billion pulp plant, an Indonesian official said.
- Sharp Corp.'s Spanish subsidiary, Sharp Electronics (España) SA, will start making facsimile machines for the European market this year, while Sharp Manufacturing France SA will now produce only for France.
- Taiwan's economics minister, Chiang Pin-kung, urged businessmen to delay planned investment in China pending completion of a Chinese inquiry into the death of 24 Taiwan tourists in a boat fire there.
- Goldtron Ltd. of Singapore will convert to floppy discs a plant built to make the digital compact cassettes developed by Philips Electronics NV.

AFP, Reuters

Compaq Expanding in China

Bloomberg Business News

HONG KONG — Compaq Computer Corp. plans to expand its Chinese operations this year, opening four representative offices and a factory, a company official said Friday.

Compaq also will strengthen its links with the software manufacturers Microsoft Corp. and Novell Inc. to help maintain its market share in China, said Ian Churton, Compaq's marketing communications manager for the Asia-Pacific region.

Speaking by telephone from Singapore, Mr. Churton said Compaq, in a venture with Beijing Stone Group, was building a plant that would open in July in Shenzhen. The products of this factory will be "pre-installed with both Microsoft and Novell software," he said, and will initially be sold only in China. Stone is China's largest private computer distributor.

"We also have plans to open four more sales and servicing offices in China to add to an existing one in Beijing," Mr. Churton said. These offices will be in Shanghai, Chengdu, Xian and Shenzhen, he said.

"We believe we're No. 1 in China, with more than 30 percent of the total market share, and our expansion

plans are essentially designed to meet that demand," Mr. Churton said.

Compaq's operations throughout Asia, however, trail those of many of its chief competitors, as most of them are Asian companies or have large factories in the region. International Business Machines Corp. and Apple Computer Inc. are well rooted in Asian markets.

"Compaq is relatively underrepresented in Asia for a company of its size and needs to enhance its presence here," said Richard Tiberghien, North American equities manager at Jardine Fleming Securities.

"And IBM, its No. 1 competitor, already has long-established China links," he said.

Mr. Churton said Compaq's sales in China jumped 74 percent in dollar terms last year, compared with total growth in the China computer market of about 30 percent.

Compaq and Microsoft are 18 months into a global cooperation agreement covering technology and marketing. This link includes Microsoft's planned Chicago operating and network system, an updated version of its Windows product due to be launched in the third quarter of this year.

Jardine Fleming in Vietnam

Bloomberg Business News

HONG KONG — Jardine Fleming Holdings Ltd. said Friday it had started its first investment project in Vietnam, helping to finance construction of an office building in Ho Chi Minh City.

Jardine Fleming, a joint venture of Jardine Matheson Holdings Ltd. and Robert Fleming & Co., said the financing had been made through an investment fund called JF Asian Realty Inc. A source close to the project said Jardine had a 45 percent stake in it with a value of about \$3 million.

The eight-floor building, in the central business district of the city formerly known as Saigon, is scheduled for occupancy in June, according to JF Asian Realty's director, David Holdsworth.

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HK - Hong Kong Dollars; Lf - Luxembourg Francs; P - Swiss Francs; S\$ - Singapore Dollars; SF - Swiss Francs; ¥ - Yen; g - gold; n - Other Prices; N.A. - Not Available; N.C. -
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SPORTS

Step Right Up: An Inside Guide to the Swing of a Lifetime (of Work)

By Joe Ward

New York Times Service

NEW YORK — It's just three years shy of a century since Willie Keeler revealed his time-honored philosophy on hitting. After batting .432, the diminutive outfielder explained: "Just hit 'em where they ain't."

It sounds simple enough, and ultimately it makes sense.

But if it were that simple, would owners be forced to pay so much for men who fail so often? Would we pay to watch them? If it were that simple, shouldn't Michael Jordan, one of the world's greatest athletes, be having an easier time of it?

Keeler's axiom tends to ignore the obvious. How does one hit the ball to begin with? And how is it done with authority?

Ted Williams, the last player to hit .400, has expended a lot of his post-career energy explaining why hitting a baseball is about as hard as it gets in sports. "Nothing," Williams said in his book, "The Science of Hitting," "has as many variables and as few constants."

Porter Johnson agrees. As the chairman of the physics department at the Illinois Institute of Technology — and a baseball junkie — Johnson has studied and lectured on the subject. "The remarkable thing I see as a physicist is that those guys can hit the ball at all," he said. "A batter has to judge the location and when the ball will be at a particular point at a particular time with in-

credible accuracy. And he has to do it in a remarkably short period of time, about .4 seconds against a fast major league pitcher."

For a substantial portion of the 97 years since Keeler's remarks, hitters have been left to fend for themselves regarding such things. In fact, it is only in the last two decades that each major league team has had a full-time hitting instructor.

What they teach differs, reflecting the variety of theories on just how to hit a baseball. There is the head-down, release-the-top-hand style of Walt Hritniak's Chicago White Sox. There is the wait-and-react philosophy of the two-time World Series champion Blue Jays and the attack-the-ball bravado of the National League champion Phillies. All of the theories have their ardent followers, and their share of successful laboratory mice to justify their claims.

What all of the instructors agree on is that the hitter's body and bat should be in the best position possible when it is time for contact. But what that position is, and how to get there, is what leads to the arguments.

In fact, the debate could be heard on a recent spring training morning at the Phillies' camp in Clearwater, Florida, where the warm temperatures were raising a couple of degrees when Mike Schmidt returned to his old team to hawk a batting device that bears his name.

The machine is designed to reinforce the very popular notion that a hitter's stride should be

completely separate from the swing itself. Take a short stride, keep the hands and weight back, then decide whether or not to swing.

"The machine was developed," Schmidt said, "to teach a hitter not to react to what they see from the pitcher but to get into position to wait on the ball." In other words, in an activity that requires speed and quickness, be patient.

The Phillies, though, weren't buying his the-

John Olerud of Toronto, last year's American League batting champion, is one of the short-stride believers. Olerud, who flirted with a .400 average for a good portion of the season, says he is "always striving to keep that stride down, to stay compact so you have as much time to wait and see the ball before you have to swing."

The disadvantage of a long stride is that it needs to be started sooner, often before the speed of the pitch is apparent. That causes the

Gene Tenace, the Blue Jays' bench coach, says of Molitor: "Well, he's a freak. He uses his hips, legs and hands well, but it would be difficult to teach because he is hitting from a dead standstill. To generate bat speed, you need some movement backwards, just like a golf swing. But he is successful, so you would never change that."

The question, though, is whether to change any player's swing at the major league level. Most teams believe the best results come when a hitting coach works with the style of the particular hitter and adjusts it slightly. Bill Robinson, who was the Mets' hitting coach from 1984-89, agrees with that approach. "A good hitting instructor is able to mold his teachings to the individual," he said. "If a guy stands on his head, you perfect that."

George Brett, who batted .305 over 20 years in the majors, is proof, however, that substantial change can be beneficial. "I worked with Charlie Lau for eight years. He changed my swing completely," he said. "I never hit .300 in the minors, but I hit .300 in the majors 12 or 13 times."

Brett concedes, though, that being only 20 years old when he fell under Lau's influence allowed him time to adjust. And he doesn't recommend teaching the older dogs new tricks. Learning a swing, whether it is a batter's own or one that is being taught to him, is a tremendous investment in time.

Brian MacRae, the Royals' center fielder, said,

All of the theories have their ardent followers, and their share of successful laboratory mice to justify their claims.

ory or his machine. "The Phillies want an aggressive movement to the ball," Schmidt said. In other words, decide to swing, and then do it in one explosive motion.

The difference in the two theories may be undetectable in the blur of the swing. But each side is vehement that its way is the best way.

It all relates to timing, and the fact that while so many pitches are thrown at different speeds, they all look strikingly similar in the first two-tenths of a second after they are thrown. And it is in the first fractions of a second that a hitter has to decide whether to swing.

It is this problem of timing that has led more and more hitters to opt for a short stride as a counterattack.

body's weight to shift forward too quickly for slower pitches, causing the power generated by the hips and legs to be released before the bat hits the ball. The results are weak ground balls or pop-ups.

Olerud's teammate, Paul Molitor, was the most valuable player in the World Series last year, and he has taken the short-stride concept to the extreme. In fact, Molitor, who believes too many players come to the major leagues trying to pull the ball instead of waiting and using the whole field, has a stride that has become infinitesimal.

"I gradually got rid of the movement and it helped me take a longer look at the baseball," he said.

Yanks Rout Texas, New York's Absent

The Associated Press

Not in decades had so few seen the New York Yankees score so much in Yankee Stadium.

"It's kind of like stepping on their necks when they were down," Mike Gallego said. "That's what we tried to do."

New York scored in each of the first seven innings Thursday and routed the Texas Rangers, 18-6. The last time the Yankees scored

Shawalter. "They had the momentum coming back to 12-6."

Texas, which had taken a 1-0 lead, then trailed by 12-1 before closing with five runs in the sixth.

Red Sox 9, Tigers 6: Mike Greenwell, Andre Dawson and Tim Lincecum homered as Boston completed a season-opening, three-game sweep at Fenway Park with the help of seven extra-base hits. Of Boston's 30 hits this season, 16 have been for extra bases.

Cecil Fielder and Dan Bautista hit two-run homers for Detroit, and Lou Whitaker hit a solo shot.

Twins 7, Angels 4: Scott Erickson gave up 11 hits in Minneapolis, but still helped Minnesota get its first victory.

Dave Winfield drove in three runs and Kirby Puckett two for the Twins, who lost their first two games to California by a combined 12-3.

Erickson allowed 14 runners in 6½ innings, but escaped trouble until allowing two runs in the seventh. It was his 50th major league victory.

Brewers 12, Athletics 2: Bill Wegman won his first game since May 30, and John Jaha and Kevin Seitzer both hit two-run homers in Milwaukee.

Wegman, who lost his last seven decisions in 1993 and finished 4-14, allowed only an unearned run and five hits in seven innings. Milwaukee, which got 14 hits, beat Oakland for the 11th consecutive time at home.

Indians 6, Mariners 2: Winner Jack Morris pitched five scoreless innings before faltering in the sixth as he made his debut in Cleveland.

Eddie Murray hit the Indians' first home run of the season, driving it over the 109-foot-high wall in left field off the seventh. Murray has 442 homers, and is tied with Dave Kingman for 20th on the career list.



It was a race, but the A's shortstop Mike Bordick, with a throw from catcher Terry Steinbach, tagged Jody Reed before the Brewers' runner tagged second.

Rookies Deliver as Braves Overtake Padres

The Associated Press

The Atlanta Braves' starting pitching finally buckled. The rookies didn't.

Ryan Klesko singled twice and scored once to help Atlanta rally from a 7-4 deficit, then made way for Kelly, who doubled in the 11th inning for his first major-league hit and scored the go-ahead run on David Justice's single as the Braves beat the Padres, 10-8, on Thursday in San Diego.

"The young kids played a big part again today," said the Braves' manager, Bobby Cox, after Atlanta completed a four-game sweep. "Klesko getting on with a push into third base, then Kelly getting the base hit in the extra innings. If he doesn't get the hit we don't win. Simple as that."

San Diego rallied from a 4-0 deficit, then blew a three-run lead.

Klesko, who homered in his first two games, started the Braves' rally when he bunted leading off the eighth. He scored

NL ROUNDUP

when Justice's hard shot bounced off the glove of second baseman Bip Roberts for an error. Fred McGriff, who walked, scored on Mark Lemke's double.

"Klesko said, 'Do you mind if I bunt?'" Cox said. "Any way to get on. Boom."

Klesko singled again with two out in the ninth, and Kelly came on to pinch

run. He moved around on McGriff's single and tied the score on Gene Harris's wild pitch.

Atlanta went up 8-7 on Bill Pecota's pinch double in the 10th, but San Diego tied it in the bottom of the inning on an RBI single by Keith Lockhart, his first major-league hit.

The Braves' starter, Steve Avery, was roughed up for six runs — five earned — on four hits in 4½ innings. San Diego had been blanked by the Braves starters for 25 innings.

Marlins 1, Dodgers 0: Chris Hammond and Bryan Harvey combined on a four-hitter and left Conine singled in the only run as Florida won in Los Angeles for its first victory of the season.

The game's lone run was scored in the first inning on a walk and two infield hits. Conine's slow ground was chased down behind the infield dirt by second baseman Delino DeShields without a play.

Phillies 13, Rockies 8: Philadelphia won its third straight in Denver when Mariano Duncan's go-ahead, three-run homer keyed a five-run seventh inning.

Colorado rallied from a 4-0 deficit with five runs in the sixth. But in the seventh, pinch-hitter Tony Longmore reached on an error, Lenny Dykstra singled and relief pitcher Steve Reed promptly gave up Duncan's homer. Then Ricky Jordan tripled, scoring on Dave Hollins' sacrifice fly.

"This is my ninth year in pro ball and I'm just starting to understand what's going on."

Hritniak is a disciple of Lau, who died in 1984. Hritniak has carried on that easy-to-spot tradition of keeping the head down, even after contact, and letting the top hand come off the bat.

The reason for keeping the head down is simple: If the head is lifted too soon, the bat can change course, to the hitter's detriment. But detractors, like the Boston Red Sox hitting coach, Mike Easler, argue that a head that stays down too long acts as a door stop, preventing a good completion of the swing.

Then there's that top hand. Releasing it, say Hritniak and others, allows the bat to travel in the ball's path longer — as if there were a series of baseballs to hit, one behind the other. The effect is to compensate for any mistake the batter made in timing. But those who argue against it feel it robs the swing of power.

But that raises the question of which hand provides the power. The bottom-handers, like the Blue Jays and White Sox, believe the bat is pulled through the strike zone by the bottom hand. The top-handers, like Ted Williams, think it is pushed through the zone with the top hand. It is just one more part of the debate.

Meanwhile, Hritniak has his own two-word answer to his critics: "Frank Thomas." Thomas has averaged 32 home runs and 117 runs batted for the White Sox for the last three years.

But in the end, the arguments over the proper stride, over which hand is the power hand and over how long the head should stay down are all secondary to a batter properly seeing what he is swinging at.

"Hitting a baseball is a sensory stimulation that is 80 percent visual," says Dr. Donald Teig, the head of the Institute for Sports Vision in Ridgefield, Connecticut. Teig has tested hundreds of major league baseball players and says most are blessed with 20-20 vision or better. But that, he says, "is only a basic prerequisite," only one of as many as 30 visual skills that a good hitter needs.

Those other skills include the ability to make timing judgments and to judge space: eye-to-hand and eye-to-foot reaction time, and concentration, because most of concentration is visual. There is also that old baseball term known as dynamic acuity, which is how clearly you see motion, because vision may deteriorate when motion is introduced.

But what batters need is what Teig calls "muscle memory," which conditions the body to react in a certain way to what it has seen. And this muscle memory is acquired through endless repetition.

Ultimately, though, even good hitters look out to the pitcher 7 out of 10 times. And many pitchers add one more factor to the mix: fear.

With the ball traveling at such high speeds and with the knowledge that it has broken bones and altered or ended careers, hitters can get leery. And the pitchers know it. They also know that because of the exactness of a batter's swing, they will benefit if they can make the batter pause or flinch and throw the swing out of kilter.

And even if a hitter does everything correctly, there are no guarantees. In Game 7 of the 1962 World Series, Willie McCovey stepped up to the plate for San Francisco with two outs, runners on second and third, and the Yankees up, 1-0, in the bottom of the ninth. He got a good look at a fastball from Ralph Terry and took a good swing. Hips, legs and hands combined for a line drive that exploded off his bat — right into the glove of Bobby Richardson at second base. Series over. The Giants lose.

In last year's World Series, Joe Carter of Toronto found himself in a somewhat similar situation, his team trailing by a run in the bottom of the ninth in Game 6, with runners on first and second and one out. Carter also got a good look at a fastball, from Mitch Williams of the Phillies. A quick swing, and the ball burst off his bat and sailed over the wall. Series over. Carter and the Blue Jays win.

As Keeler said, hit 'em where they ain't.

Joe Ward is the graphics editor for The New York Times sports department and a former hitting instructor.

DENNIS THE MENACE



MIN SAYS I HAVE TO APOLOGIZE FOR WHAT I SAID TO YOU...

...EVEN IF IT IS TRUE!

JUMBLE: THAT SCRAMBLED WORD GAME. Unscramble these four Jumbles, one letter in each word, to form four ordinary words.

VIRTE
OAPIN
GOYNEX
AUSANE

Answer here: 4-9

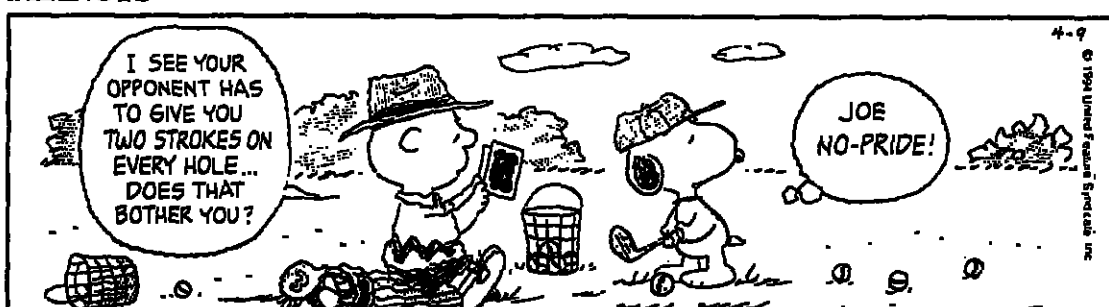
Answers: BLOOM, BAGGY, MONAR, FLEACE

Yesterday's: Answers: Combine characters and prize music and you get the — BACK AND FORTH.

TO OUR READERS IN BERLIN

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PEANUTS



JOE NO-PRIDE!

BLONDIE



BEETLE BAILEY



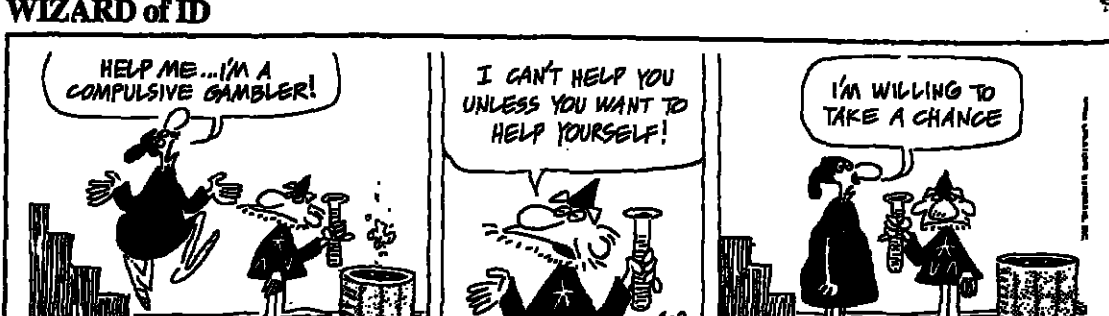
DOONESBURY



CALVIN AND HOBBS



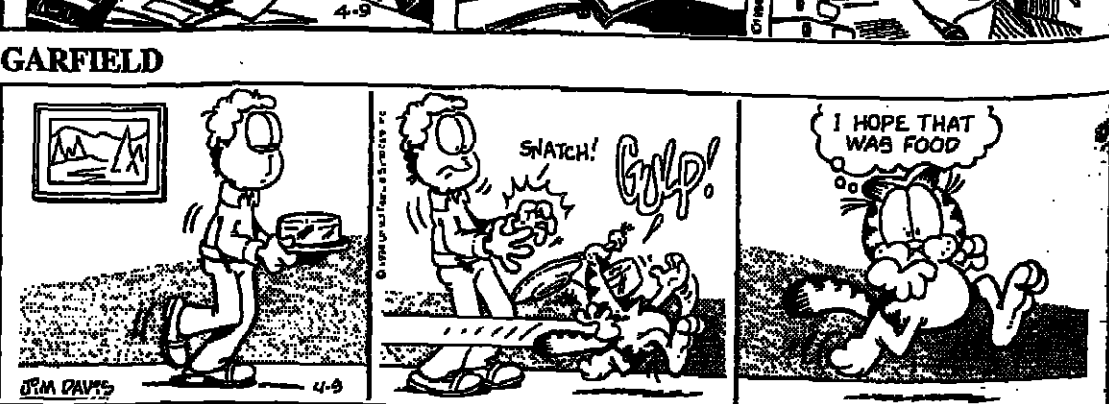
WIZARD of ID



REX MORGAN



GARFIELD



SPORTS



Defending champion Bernhard Langer could only manage to put together back-to-back rounds of 74 on the Augusta National course.

'Ailing' Chinese Stars Out of London Race

LONDON — China's record-breaking women distance runners on Friday pulled out of next week's London Marathon, citing unspecified health problems.

The Chinese team had withdrawn Thursday, without explanation, from Sunday's Bob Hasan 10-kilometer road race in Jakarta. London marathon officials received a fax Friday from Huang Zhi, general secretary of the Chinese Athletic Association, saying the athletes had been unable to train recently due to "bad health."

In China, the official Xinhua news agency said the runners were injured, but gave no details.

The statement made no mention of previously announced plans for the Chinese team to compete in several Grand Prix meets in Europe this summer.

It was a huge blow to London organizers, who had focused their promotion of the April 17 race on the star Chinese runners.

Gascoigne in London: Devastated

The Associated Press

LONDON — English soccer star Paul Gascoigne, his career in jeopardy following a double fracture of his right leg, flew into London Friday to have his leg operated on Sunday.

"I'm devastated," the 26-year-old midfielder told Britain's Sky News on the flight from Rome to Heathrow airport. "Not just for myself but for my country as well. Let's hope I can be back as quick as possible. The season starts in six months' time."

Gascoigne broke his tibia and fibula Thursday while tackling a teammate during a practice in Rome with his Italian team Lazio.

"He is going to be out for several months, seven or eight at least," said the Lazio team doctor, Claudio Bartolini, who accompanied Gascoigne to London. "Breaking a leg is not as serious as injuring the knee, but you need to give it time to be sure."

Bartolini said a metal plate or pin would probably have to be inserted into the knee.

The surgery will be performed by Professor John Browett, who operated on the knee liga-

ments Gascoigne tore in the same leg on a tackle in the English Football Association Cup final in May 1991. It was a similar incident that caused Gascoigne's latest injury.

"He made a normal tackle as I was kicking the ball," Lazio youth squad player Alessandro Nesta told Italy's sports daily Gazzetta dello Sport. "I can't tell what happened exactly, but I realized something terrible had happened when I heard Paul screaming in pain."

Defending World Cup champion Germany, seeking a new opponent after England pulled out of a match scheduled on the anniversary of Hitler's birthday, may play the United Arab Emirates instead, soccer officials said Friday in Frankfurt.

The ZDF television network said the match against another opponent may be held one week later, on April 27.

Jean-Pierre Bernes, the former general manager of Olympique Marseille, was charged Friday with fraud related to an investigation into the club's finances and accounting. The team's president, Bernard Tapie, was charged with the same offenses last month. (AP)

Faldo and Woosnam in Danger Of Having the Masters End Early

Compiled by Our Staff From Dispatches

AUGUSTA, Georgia — Nick Faldo, a two-time winner here, the 1991 champion Ian Woosnam, and old friends and golfing foes Jack Nicklaus and Arnold Palmer finished their rounds Friday convinced that this year's Masters was over for them.

But emerging in fighting form from the second round on the Augusta National course were Dan Forsman, who fired a six-under pair 66 for a 4-under-par total of 140, while Jose-Maria Olazabal of Spain (74-67) and Ernie Els of South Africa (74-67) stood one shot back at 141.

Forsman birdied seven holes, including three of Augusta's four par-fives, on the way to his best score in nine rounds in the Masters.

"Thank God it's over," he said. "I didn't know how long my concentration would last out there."

Forsman was contending for the lead during the final round of the Masters last year until he made a quadruple bogey on the 12th hole.

Olazabal, whose 67 was his best effort in eight Masters, said it was hard to concentrate on the course, which was again buffeted by high winds.

Still, he said, "I was relaxed and I scored well today."

Loren Roberts shot a 68 and was at 1-under 143 after 36 holes. Mike Standly rebounded from a first-round 77 to shoot 69 and was at 2-over 146. Fuzzy Zoeller, considered a strong contender here after finishing second in his last three tournaments this year, shot 72 and also was 2-over.

Woosnam and Faldo each shot 73, which put them at 149. Nicklaus, 54, the Masters' only six-time winner, carded a 74 and was at 152 while a disgusted Palmer, after shooting 77-153, said, "I don't know why I keep putting myself through this."

For Palmer, who has built so much of his legend on victories at the tournament in 1958, 1960, 1962 and 1964, it was an unhappily familiar situation: this will be the 11th consecutive year he has missed the cut at Augusta National Golf Club.

Only marginally better positioned was the defending champion, Bernhard Langer, who repeated his first-round result with another 74. He was tied at 148 with Scott Simpson. "Two birds in two days," Langer said. "That says it all."

After the first two rounds, only the top 44 scorers, and all within 10 shots of the lead, will qualify for the final two rounds. A 36-hole score of about 149 or 150, 5 or 6 over par, appeared necessary to make the top 44, depending on the fortunes of Larry Mize, Tom Kite, Faldo, Allen and the other leaders who had afternoon tee times.

The first-round leaders, who teed off in the afternoon, were continuing the assault launched by the early morning players.

Kite started out birdie-birdie and turned the front nine in 33, putting him at 6-under-par through 27 holes. Mize shot 34 and was also at 6 under.

Brad Faxon got into the hunt with a 34 on the front nine to fall to 3-under for the tournament, and Hale Irwin rattled off four birdies on the front side for a 32, putting him at 3-under through 27 holes.

Tom Watson started the day at 2-under and played the front in 36 to stay there. Greg Norman, who has never won here but came in as a heavy favorite, struggled on the front and turned in 1-over 37, putting him at 1-under par for the tournament going to the back nine.

Payne Stewart, at 78-156, also appeared certain of missing the cut, while Johnny Miller was at 77-150.

Costantino Rocca, the first Italian to play on the European Ryder Cup team, played the back nine in 2 under par for a 70, which left him at 149 and 15th hole, where Nolan Henke posted a 10 and Stewart a 9.

Colin Montgomerie of Britain, another European Ryder Cup player, was among a big group at 150 that also included Jumbo Ozaki of Japan. Montgomerie shot 73 and Ozaki 74.

Earlier, Leonard Shapiro of The Washington Post reported: When the first round ended, the leader board reflected the advantage of age and experience on this storied golf course in the first major of the year.

Past Masters champion Mize led with a 4-under-par 68, with Kite and Allen a stroke behind. Only three players managed to score in the 60s and only 16 were under par.

Heavily favored Greg Norman was two strokes back a group of six comprising past Masters champions Tom Watson, Raymond Floyd and Seve Ballesteros, and Vijay Singh and Tom Lehman. And everyone in the field of 86 took this wild and crazy ride propelled by tricky swirling winds, diabolical pin placements and greens more treacherous than a highway oil slick.

The 40,000 or more spectators who turned out for the first round also saw a sideshow of laugh-a-minute shots, countless seemingly perfectly struck balls that spun

backward into waiting water or yawning traps, especially at the 500-yard 15th hole, where Nolan Henke posted a 10 and Stewart a 9.

Leading the tournament when he walked to the 15th tee, Watson took a triple bogey even after laying up on his second shot at the par-5 hole. But he was smiling after making a 35-footer for birdie at the 18th hole. "It's a humbling game," he said.

Mize, a 35-year-old native of Augusta who had arthroscopic surgery to repair torn cartilage in his right knee four weeks ago, somehow managed to avoid most of those disasters on a course he's been playing most of his adult life. A year ago, Mize was in tie for the lead after the first day but faded to a tie for 21st.

"The course is playing fast, the fairways are running, the greens are fast and you had some wind," Mize said. "That's all it takes."

He added: "It's fun to be leading, but I've still got a lot of work left to do."

So did everyone in this elite crowd, including some of the game's finest players facing serious problems just making the cut.

Mize had a round that included six birdies and two bogeys, one of them also at the 15th when his 4-wood cleared the water, but spun back in. He chipped to within 13 feet and two putted from there and "it could have been worse," he said.

The 40,000 or more spectators who turned out for the first round also saw a sideshow of laugh-a-minute shots, countless seemingly perfectly struck balls that spun

First-Round Scores From the Masters Golf Tournament

Played on the 4,248-yard (4,368-meter), par 36-72 course in Augusta, Georgia (6-noon local time).

Larry Mize 32-36-74	Tom Kite 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72
Tom Kite 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72
Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72
Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72
Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72
Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72
Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72
Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72
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Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72
Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72
Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72
Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72
Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72
Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72
Tom Watson 34-38-72	Tom Lehman 34-38-72	Tom Watson 34-38-72	Tom Lehman 34-38-72

SCOREBOARD

Major League Standings

AMERICAN LEAGUE

East Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Central Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

West Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

NATIONAL LEAGUE

East Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Central Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

West Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Thursday's Line Scores

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

AMERICAN LEAGUE

East Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Central Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

West Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

NATIONAL LEAGUE

East Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Central Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

West Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Hockey

NHL Standings

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Eastern Conference

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Western Conference

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

BASKETBALL

NBA Standings

Eastern Conference

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Central Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Western Conference

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Midwest Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Pacific Division

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Thursday's Results

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0
astros	3	2	1.000	0

Friday's Results

team	W	L	Pct.	GB
astros	3	2	1.000	0
astros	3	2	1.000	

